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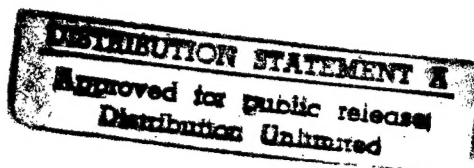
18 January 1984

USSR Report

POLITICAL AND SOCIOLOGICAL AFFAIRS

SELECTIONS FROM SOVIET

FOREIGN POLICY JOURNALS



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18 January 1984

USSR REPORT
POLITICAL AND SOCIOLOGICAL AFFAIRS

SELECTIONS FROM SOVIET FOREIGN POLICY JOURNALS

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MULTINATIONAL CORPORATIONS AND THE DEVELOPING WORLD

Moscow LATINSKAYA AMERIKA in Russian No 8, Aug 83, No 9, Sep 83, No 10, Oct 83

[Article: "Multinational Corporations and the Developing World"]

[No 8, Aug 83 pp 23-51]

[Excerpts] In November 1982 a discussion on the theme "Multinational Corporations and the Developing World" was held in the editorial office of the journal. The theme of this discussion is especially topical today. In recent years the cosmopolitan financial-industrial oligarchy, which controls approximately 90 percent of all the foreign investments of the capitalist countries, has launched an unprecedented offensive against the developing world. Striving to take advantage of the achievements of the scientific and technical revolution, big international monopolistic business is transferring many types of production, for example, the automotive industry, metallurgy, industrial and household electrical equipment and others, to the developing countries, is imposing on them a new international division of labor, which already today is enabling them to have a twofold greater return from capital investments than the revenues from investments in the industrially developed countries. As the strike force of modern imperialism the multinational corporations are striving by means of the modification of the international system of capitalist exploitation to give capitalism "a second wind" and to smooth over the acuteness of its socio-economic and political antagonisms. All these trends and the other trends connected with them are of great importance not only for the developing countries, but also for the world community as a whole.

In preparing for the discussion, the editorial board strove to direct attention to various aspects of the activity of multinational corporations in the developing world. A wide range of questions on this theme was put to the participants in the discussion: the place of multinational corporations in the international capitalist division of labor; the regional and national peculiarities of the strategy and tactics of multinational corporations in the developing world; the economic models which are

being adopted by multinational corporations in the developing countries; the consequences of the expansion of multinational corporations for the economy of the developing countries; the prospects of the struggle of the working class and other progressive forces against the domination of multinational corporations in the developing world; the economic and international legal aspects of the state regulation of the activity of multinational corporations and other questions.

The editorial board noted with satisfaction that the proposed theme aroused lively interest in scientific circles. Staff members of the Institute of Latin America [ILA] of the USSR Academy of Sciences, the Institute of World Economics and International Relations [IMEMO] of the USSR Academy of Sciences, the Institute of the International Workers' Movement [IMRD] of the USSR Academy of Sciences, the Institute of the United States of America and Canada [ISKAN] of the USSR Academy of Sciences, the Institute of Scientific Information on Social Sciences [INION] of the USSR Academy of Sciences, the Institute of Social Sciences [ION], the Academy of Social Sciences [AON], Moscow and Odessa State Universities [MGU and OGU] and the journal LATINSKAYA AMERIKA took part in the discussion.

The Multinationalization of the Economy of the Developing Countries: Causes, Peculiarities and Limits, Doctor of Historical Sciences Yu. N. Korolev (the journal LATINSKAYA AMERIKA)

Dear comrades, the editorial board of the journal is continuing the organization of meetings of the representatives of the scientific community on the urgent problems of the study of Latin America, which has already become a tradition. Today the activity of multinational corporations in the developing countries is the theme of the discussion.

It is well known that the process of the internationalization of capital began long ago. Back in the 19th century K. Marx and F. Engels directed attention to such an immanent trait of capitalism as its universal, international nature. With the beginning of the era of imperialism this trait began to appear even more perceptibly. At the same time at the beginning of our century the process of the capitalist internationalization of world economic relations took place sporadically. The level of the organic and technological structure of capital of that time, which determined the limits of its expansion, objectively corresponded to this. Under these conditions the need to defend national interests and, most of all, to control colonial possessions led to a preferentially national orientation of monopoly capital, which, if we simplify the essence of the phenomenon somewhat, was expressed in the formation of state monopoly capitalism.

The collapse of colonialism to a certain extent liberated the national monopolies, which had grown stronger during the scientific and technical revolution. Capital began to try to prove its ability to take root, to hold its ground, to dominate not by the former, frequently strong-arm, extra-economic methods, but by other, new means of conducting economic activity. At first there was a search in breadth: monopoly capital rapidly rushed beyond the national boundaries and won foreign

markets on the basis of quite primitive criteria (inexpensive raw materials and manpower, convenient laws and governments). However, these possibilities were soon exhausted. And a period of long-term stagnation, the decline of production and monetary storms--a protracted, profound structural crisis of capitalism, which pointed to the exhaustion of the former reliable anticrisis measures--began in the early 1970's.

In the search for a way out of the complicated, alternative situation bourgeois thought gave rise to neoliberal economic plans, in which instead of the forms of state regulation, dirigisme and planning the freedom of competition for monopolies and among monopolies was legitimized, that is, the effectiveness under the new conditions of the system of state monopoly capitalism was placed in doubt. These plans should have, according to the intentions of their authors, given rise to an especially hardy, viable form of the reproduction of monopoly capital.

In this connection the capitalist experience of economic integration among countries as a potentially promising means of reviving the economic activity of the capitalist world was taken into account. On the basis of the example of the EEC and the development of integration processes in other regions and subregions of the world, particularly Latin America, it was discovered that the increase of production on the basis of the integration of national markets, in which the country is the basic unit, has a large number of difficulties of both an economic (not only the "advanced" branches and sectors of the economy, but also the "traditional" ones with an old technological basis took part in such a process) and a political (the struggle for national preeminence) nature. Not by chance is a significant portion of the bourgeoisie coming to the conclusion that its "cherished" and jealously protected "national values" are beginning to hinder not simply the development, but the very survival of bourgeois society.

How is such an obstacle to be avoided? The voter, who for generations has been raised on national values, might also not understand; hence, you would not actively apply to the electorate and parliament. Indeed, some attempts of this nature were nevertheless made: take, for example, the all-European and inter-European political organizations up to the European parliament. But it was possible to create at best only advisory organizations which were far from making practical decisions. But a realistic basis--an effective basis of the expansion of capitalist development--was needed.

There existed--and for a long time already--international monopolies. Meanwhile in reality they were not an internationally integrated economic unit, but were only the production of some group of goods or another, which had spread beyond national boundaries. As a rule, this type of monopolies at their foreign affiliates simply reproduce the processing method of the parent enterprises, that is, have conditional limits of expansion--the saturation of the market with goods.

Moreover, modern practice shows that the period, when international monopolies of this type could hold in their hands the strategic sectors of the economy of the country which is the object of expansion, has irrevocably passed. The national governments have agreed more and more resolutely to necessary steps on the strengthening of independence. Under the conditions of Latin America this concerned first of all natural resources and industrial raw materials: land, petroleum, copper, tin, various minerals, as well as the infrastructure: railroads and highways, the mail, telegraph, airlines, ports and their services.

Along with this local capital, the process of the concentration of which led to the formation of domestic monopolies, also achieved a different qualitative level in its development. While striving for undivided rule in their own countries, local concerns at the same time began very early in secondary roles to take part in the affairs of international companies and to use the advantages of foreign economic relations. As a result a pointed competitive struggle, which led (and is leading daily) to a certain compromise between local and foreign monopoly capital, enabling the former to gain access to the world market and the latter to avail itself of the potentials of the local market, developed. This was a definite concession on the part of the international monopolies, and it was a result of qualitative changes, during which local big business actually supported (or threatened to support) government steps on the restriction of the activity of foreign capital up to nationalization and the creation of a strong state sector of the economy (the 1950's to 1960's).

The compromise between the local and foreign monopolies led to the serious modernization of capitalism in the countries of Latin America, which occurred in the 1960's and 1970's. Along with this in the region the international companies were also reorganized--multinational corporations emerged. Using as a cover the need for the defense of the "leading sector" of the economy (which can become competitive on both the domestic and the world markets on the basis of the use of modern technology and inexpensive manpower), they imposed on them their own strategy of economic development. Moreover, by seeking from the Latin American governments the pursuit of an "open door policy" for foreign capital, the local monopolies, in turn, obtained from the multinational corporations the right to multinational activity and the corresponding profits.

Many bourgeois economists at first believed that the multinational corporations, guided by their own egotistical principles and goals, in the end promote the development of the national capitalist economies of the Latin American countries. Some grounds for such an opinion, it seemed, existed. Indeed, the multinational corporations in contrast to the traditional international monopolies, which were operating in the countries of Latin America, did not demand for themselves the right of extraterritoriality, agreed to obey national legislation, willingly reinvested their revenues, invested capital in the development of the processing industry, including machine building and machine tool building (actively in the automotive industry), catered for the most part to the local market, and not the markets of "the mother countries," as was always the case in the past. Thus, starting in the middle of the 1970's the flow of foreign capital was aimed more and more at the processing industry and came to approximately 30 percent of the total amount of direct foreign investments as compared with 10 percent in 1950. At the same time foreign companies exported from Latin America only 10 percent of the output produced in the region. And the main thing is that the influx of direct investments increased, which, in the opinion of bourgeois economists, ensured the running of the economy along capitalist lines and afforded opportunities for rapid growth: the direct capital investments increased from \$18 billion in 1967 to \$80 billion in the early 1980's.

What are the real consequences of this process? It would seem that they are favorable: the structure of production changed due to the increase of the share of the processing industry in general and machine building in particular. The Latin American countries increased their economic potential at a leading rate as compared with

other regions. The gross national product increased here annually on the average by 5.4 percent during 1950-1970, while during 1971-1980 by 6.1 percent (indeed, during the second half of the 1970's a decline was noticed). Latin American exports increased from \$17 billion in 1970 to \$105 billion in 1980, that is, by more than sixfold. Unquestionably, both inflation and the sharp increase of deliveries of Latin American petroleum to the world market influenced this indicator to a considerable extent.

However, by the late 1970's some notes of alarm were interwoven in the overall tone of quite optimistic forecasts, among which there were heard even the opinions that the "Friedman model" (that is, the theory of "a free market economy") had begun to operate and yield fruits. The multinational corporations placed under their control, for example, in Brazil 100 percent of the production and sale of motor vehicles, 80 percent of the pharmaceutical industry, 70 percent of the electronics industry, 59 percent of machine building and 50 percent of the chemical industry.¹ Although the exports of the output produced by foreign enterprises for the continent as a whole came to only 10 percent, at the same time it was equal to 70-80 percent of the total volume of Latin American exports. During 1966-1976 the balance of the movement of capital between Latin America and the United States came to \$2.5 billion in favor of the latter; half of all the profits of the direct capital investments of the United States in developing countries came from Latin America. During 1970-1978 North American monopolies received about 40 percent of the aggregate profit, having achieved a nearly twofold greater effectiveness of capital investments than their competitors: for every dollar invested in the developing countries there were on the average about \$2.40 in profit, while at the enterprises of U.S. firms there were \$4.50.

So what is multinationalization and what influence does it have on the structure of the economic relations of the developing countries?

According to the data of Soviet and foreign studies, by the early 1980's there were 10,000 international monopolies with approximately 80,000 affiliates. The direct foreign investments in them were valued for 1981 at \$500 billion (in 1978--\$369 billion). The turnover for this year came to \$2.6 trillion, of which the affiliates account for \$900 billion. In 1979 the trade turnover of the largest monopoly, Exxon, was less in amount to only 15 countries of the world (what is meant is the gross national product of these countries), of which 2 countries were Latin American--Brazil and Mexico. The capital of Exxon came to 59 percent of the gross national product of Brazil and 65 percent of that of Mexico. The gross national product of the United States is only 30-fold greater than the capital of Exxon and 35-fold greater than the capital of General Motors. The economic might of international monopolies has increased rapidly: whereas in 1959 1 multinational corporation in 5 was inferior in the amount of wealth to just the 20 most developed states of the world, in 1979 it was inferior to the 7 most developed states. At the same time a rapid increase in the proportion and number of their foreign affiliates occurred. Thus, the rate of their growth during 1959-1970 came to

1. It is characteristic that precisely the enumerated sectors are the sphere of the greatest attention of the multinational corporations: here the "level of multinationalization" comes to 60-70 percent with an average for the 20 largest multinational corporations of 51 percent.

10.2 percent (instead of 7.4 percent during 1946-1958), the proportion of the foreign affiliates of the 20 largest international corporations was equal to 35 percent in 1970 and came to 51 percent in 1978.

Thus, multinationalization can be defined as the process of the evolution of the international activity of monopolies, a characteristic trait of which is the increase of the proportion of foreign affiliates, which leads to the relative decrease of the role of the parent national centers and, consequently, to the shifting of factors and incentives when making strategic and tactical decisions.

Multinational corporations historically emerged from powerful national monopolies, therefore their position continues to be a result of a complicated balance of the interests and aspirations, which are connected with the national and foreign affiliates. Hence another important conclusion: not every international company is a multinational corporation, but only the one, whose own position (which in details or as a whole does not coincide with the goals and interests of the governments of the countries, in which it operates, including its own government) is integrated from the interweaving of various (national and foreign) interests. The multinational corporation also differs from traditional international monopolies by the internal structure of production: this is no longer a simple network of enterprises in the country and abroad, but an entire production mechanism with the internal division of labor and a common technological cycle.

Researchers notice another peculiarity of the structure of multinational corporations: the multinational corporations draw into their network intermediate and even small business on subcontracting terms, which gives them a large number of advantages under the conditions of the existing economic crisis, the decline of production, the high level of unemployment, the lack of capital for the state stimulation of the economy and intense competition on the world market. At present medium-sized and small firms, the unexpectedly great competitive ability of which on the world market is explained by hidden patronage on the part of powerful international concerns, which strictly speaking are their employers, if not owners, are actively operating in the structure of multinational corporations. In Latin America there are tens of thousands of such firms, which reflects certain new phenomena in the world capitalist economy, which has received the name of the "decentralization" of modern production.

What are the "prospects" of the further multinationalization of the economy of the Latin American countries?

According to some predictions, the multinational corporations in the countries of Latin America are finding a favorable environment for the development of production of a modern technological level, with the exception, perhaps, of the most science-intensive production. However, the limits of the technological expansion of multinational corporations are already visible today. In spite of the fact that technological superiority is enabling the multinational corporations to occupy alongside the traditional international monopolies the "vacant" recesses in the production hierarchy and to raise production to a new level, the substantial renovation of the economic apparatus of the Latin American countries is not occurring. The production activity of the multinational corporations is basically not eliminating the contradictions which are inherent in the economic development of the region. Moreover, the limits of expansion of multinational corporations are governed by the fact that

the crisis processes of the highly developed capitalist countries are being superimposed on the crisis elements of the developing world. New, more negative forms of social practice are succeeding some flagrant contrasts. Take, for example, unemployment. The multinational corporations are not reducing, but rather are indirectly contributing to its increase. By introducing partial and temporary employment on a massive scale, the multinational corporations are as if promoting the decrease of the threshold of unemployment, but in practice are giving rise to new concealed forms of relative overpopulation.

Attention is directed to this aspect of the question every time when elaborating a number of questions of the present strategy of the anti-imperialist struggle. However, as practical experience has shown, the socialization of large-scale international capitalist property and the choice of the means of the efficient use of affiliates, that is, the fundamental links of the unified international technological chain, are not simple problems. Thus, it was discovered that the nationalization of the enterprises of multinational corporations--one isolated technological section of the overall production cycle--although limiting the influence of multinational corporations in the country, does not make it possible to use the advantages of these enterprises in the interests of national economic development.

In turn, partial nationalization, just as a number of other means of the protection of the national capitalist economy, which were carried out by the bourgeois governments of the Latin American countries during the 1960's and 1970's, showed their low effectiveness in the matter of achieving economic independence.

It is impossible not to note an interesting paradox: in the bourgeois countries the struggle against the multinational corporations, as a rule, ended with their institutionalization, the legalization of their activity. The developing countries, which are submitting for the consideration of international organizations the status of multinational corporations, in fact are advancing the draft of an international law on the right of multinational corporations to exist. This, so to speak, is institutionalization of a single order. At the same time another, no less important sociopolitical process is also taking place: the creation of "multinational" trade unions of sorts, in which a portion of the national detachments of the working class are united on the basis of the international structure of the multinational corporations. Thus, in reality, the institutionalization of multinational corporations on the social level objectively accompanies the process of the formation of the contractor of the multinational corporations on the international market.

It is difficult even to imagine the scale of the problems, which in this connection face the international workers' movement.

The Peculiarities of the Penetration of Multinational Corporations Into the Economy of the Countries of Latin America at the Present Stage, Doctor of Economic Sciences L. L. Klochkovskiy (Institute of Latin America)

I would like first of all to emphasize the great importance of the problem which was selected by the journal for discussion. It seems that the full and correct assessment of the role of multinational corporations in Latin America is of fundamental importance for the proper understanding of the key socioeconomic and political processes which are developing in the region. It is obvious that our approach to the assessment of the nature and peculiarities of the development of capitalism in

Latin America, to the evaluation of the results of the struggle of the Latin American countries for economic independence, the evaluation of their economic dependence on imperialism and many other phenomena will depend to a considerable extent on what conclusions we come to as a result of the analysis of the activity of multinational corporations.

At the same time it seems that the conclusions with respect to the activity of multinational corporations in Latin America are of not local, but of considerably broader, I would say, world importance. One must not forget that the countries of Latin America are the basic center of the exertion of the powers of international capital in the developing world. Here, as is known, more than half of all the direct investments, which have been placed by multinational corporations in developing countries, are concentrated, the region accounts for more than half of all the credit operations of multinational banks in the developing states. Therefore the careful study of the behavior of multinational corporations in the Latin American countries is important for the clarification of the global tactics and strategy of international capital in the developing world.

After the war Latin America became one of the most important spheres of the exertion of the powers of the multinational corporations of the United States. During the 1960's and 1970's the 179 leading multinational corporations accounted for three-fourths of the direct investments of private capital of the United States in Latin America. In the mining industry of Latin America 13 multinational corporations accounted for 95 percent of all the investments in this sector, in the petroleum industry 15 firms controlled respectively 85 percent, in the processing industry more than 50 percent of the North American capital investments in the sector belong to the 25 largest companies of the United States. In Mexico alone 10 U.S. companies controlled more than 50 percent of all the North American investments, 15 companies in Brazil controlled about 60 percent.

At the preceding stages the activity of foreign companies in Latin America was to a considerable extent of an enclave nature. The enterprises and sectors being developed there were relatively weakly connected with the national economy. The output being produced at foreign enterprises from local raw materials was channeled almost entirely into the foreign market. The period after World War II was marked by the deep penetration of multinational corporations into the national economy of the Latin American countries, by the establishment of diverse relations with all the links of the economy and by the active assimilation of the domestic market of the continent. Of course, this process was not of a rigid nature. In individual sectors of industry (oil drilling, mining) of a number of Latin American countries the multinational corporations had to give up important positions, having yielded them to the state sector and national private capital. Here international capital stubbornly fought and is continuing to fight for the preservation of its influence and is actively seeking means of the offsetting of the incurred losses and new spheres of application.

According to rough estimates, during the 1960's and 1970's the export of business profits and interest on loans from the countries of the region increased by more than 15-fold and came to nearly \$20 billion a year. The multinational corporations account for a significant portion of it. Moreover, the latter are using concealed methods of the exploitation of the Latin American countries (particularly operations with transfer prices), which guarantee them the obtaining of enormous additional revenues.

Finally, in recent decades a qualitatively new adversary, which has a branched system of international ties and enormous economic and political might and which relies on the extensive political and economic support of the United States, has been opposing Latin America in the person of the North American multinational corporations. The activity of the multinational corporations is a factor of the strengthening of the positions of imperialism in Latin America and the active opposition to the struggle of the Latin American peoples for their economic liberation.

It seems that it is possible to qualify the 1970's and early 1980's as a new stage in the economic penetration of international capital into Latin America, in the interrelations between multinational corporations and the Latin American countries. What are the grounds for this? The analysis of the diverse changes, which in recent times have been occurring both in the scale of the expansion of international capital and in the motive forces which govern this expansion, in the forms of monopolistic penetration and so forth, serves as a basis.

Undoubtedly, each of these phenomena should be examined specially. I believe that in their statements the discussion participants will speak about them. I will dwell only on those aspects of the present situation, which seem most essential to me.

First of all a few words about the dynamics of the direct foreign investments in Latin America. During the 1970's an abrupt increase of the direct foreign capital investments occurred. Whereas in 1967 their amount was valued at approximately \$18 billion, in the early 1980's it reached the level of \$80 billion. The economic history of Latin America up to now has not yet known such a fast growth rate of direct investments. Of course, here it is impossible not to take into account the factor of increasing inflation, but even with adjustment for it the rate of increase of direct foreign capital investments is high.

It is a matter, however, not simply of quantitative changes. When comparing the amounts of capital investments, one must not forget that they have a different qualitative content, which is responsible for the fundamentally different methods of expansion. What is it a question of here? Even comparatively recently, for example, in the middle of the 1960's, the creation of affiliates, which belong entirely to the multinational corporations, served as the basic method of the penetration of foreign capital and the strengthening of its positions. Only a small portion of the enterprises were created on the basis of cooperation with local capital, but the controlling block of shares remained, as a rule, in the hands of the foreign investor. In the 1970's the practice of setting up combined companies was broadened markedly, and foreign investors frequently limited themselves to minority participation in the stock capital. This became possible owing to the fact that the traditional forms of control (on the basis of direct investments) had been supplemented by new, concealed methods. Take, for example, the establishment of the complicated system of technological production, organizational, credit and commercial relations, which do not presume the investment of considerable financial assets and nevertheless ensure the close attachment of the enterprise to the multinational corporation and enables it to subordinate the local partners to its control even in those instances when the controlling block of shares is at their disposal.

The analysis of the tactics of multinational corporations during the 1970's shows that, taking into account the certain political instability in many countries of

Latin America and the increased danger of the nationalization of foreign property, these giants of international business by no means were oriented toward the speeding up of their own direct investments. The main gamble here was, while investing the minimum of their own assets, to ensure by means of concealed levers of power control over large amounts of national capital.

In this connection I want especially to single out the importance of credit relations. According to the available estimates, in the 1970's for every dollar of direct investments in Latin America there were up to \$3 of credit. As is known, the credits and loans granted by private capital account for more than half of this amount. Apparently, this is one of the factors of the rapid increase of the foreign debt of the region, which at present comes to an enormous amount--approximately \$300 billion.

All these aspects should be taken fully into account when assessing the economic positions of multinational corporations in Latin America.

What is the basis for the stepping up of the activity of multinational corporations in Latin America, what are the basis factors and reasons, which dictate their increased interest in the region? Here, so it seems to me, one should direct attention to two significant things. The first of them is the further development of import-replacing industrialization. At one time in a number of studies of Soviet and foreign authors the thesis was formulated that the policy of import-replacing industrialization had to a considerable extent exhausted itself, that it had for the most part lost its importance as a factor of economic development. The 1970's showed that this is not so. As a result of the sharp deterioration of the state of the balance of payments, the aspiration of a number of governments of the Latin American countries to rely on domestic potentials and to reduce the expenditures on imports as much as possible, including by the decrease of the purchases of capital equipment on the foreign market, a definite change occurred in the policy of import-replacing industrialization. The leading Latin American countries (particularly Brazil and Mexico) placed particular emphasis on the development of the sectors of subdivision I. Of course, the international monopolies, in striving to use this situation in their own interests, are actively playing on the interest of the Latin American countries in obtaining the appropriate technology, financial assets and so on. The capital investments of multinational corporations in many sectors of the growing heavy industry of the Latin American countries (first of all in the production of means of production) are increasing rapidly. Thus, the new stage of import-replacing industrialization has become in essence the stage of the strengthening of their economic positions in the leading sectors of industry.

The appreciable stepping up of the activity of international capital in the direction of the practical implementation of the conception of the so-called new international division of labor is the second no less important feature, which in many respects governs the economic expenditures of the multinational corporations in the region. The idea of the transfer to Latin America of labor-consuming and materials-consuming works has been plotted for a long time now by the monopolies of the imperialist powers. However, the real steps on its realization have been until recently of a limited nature. The northern part of Mexico, which borders on the United States, is the only region in which it has been possible to embody this idea. About 600 enterprises for the assembly of electrical items made from components delivered from the United States have been set up here. The finished products

are sold almost entirely on the American market. In the late 1970's about 100,000 people were employed at these enterprises.

At the same time other factors, which are increasing the interest of multinational corporations in the implementation of plans on the firm establishment of "the new international division of labor," have also appeared in recent times. It is a question first of all of the new situation on the American domestic market, which is characterized by the sharp aggravation of the struggle between U.S. monopolies and foreign competitors, first of all Japanese competitors. For example, the automotive companies of non-American origin in recent years have captured approximately 30 percent of the domestic market of motor vehicles in the United States. The problem of increasing the competitive ability of the products being produced has arisen with all urgency before the leading U.S. corporations. One of the means of solving this problem is the transfer of individual labor-consuming stages of production to Latin America. In particular, all the main automotive firms of the United States--Ford, General Motors, Chrysler, American Motors--have begun the large-scale development in Mexico of the production of individual components of the products being produced. At present these corporations are building in Mexico engine building plants, which will produce 1.3 million motor vehicle engines a year. Incidentally, this action provoked an immediate response of competitors. The West German Volkswagen and the Japanese Toyota in turn are also organizing the production of motor vehicle engines in Mexico. Their plants will produce approximately 600,000 units a year. Thus, an engine building base with an annual capacity of nearly 2 million motor vehicle engines is being created in this Latin American country. From the cited examples it follows that the policy of the establishment of "the new international division of labor" is acquiring a scale which is incomparable with the preceding stage and, consequently, is developing into a serious factor of the increase of the economic expansion of multinational corporations in Latin America.

In conclusion I would like to dwell on the question of the alignment of forces between foreign capital and the national sector in Latin America. It would be, apparently, incorrect to underestimate in Latin America the forces which are opposing the multinational corporations, in spite of the intensification of the economic expansion of the latter. There are grounds to say that the alignment of forces between the multinational corporations and the national sector is changing gradually, although very slowly, in favor of the latter. The process of the evolution of the economic dependence of Latin America on imperialism is closely connected with this. Along with the emergence of new forms of dependence, which are affording the multinational corporations great opportunities for carrying out hidden and very effective control, it is also impossible not to see phenomena of a different order--the emergence of elements of interdependence. This interdependence, of course, is asymmetrical: Latin America depends on the imperialist powers to an invariable greater extent than they depend on it. And nevertheless the elements of interdependence are an objective reality. It is possible, apparently, to expect that in the future there will be even more of them, and this trend should be taken fully into account when assessing the economic and political situation in the region. I believe that the assumptions, which are formulated on this account in the recently published work of Academician Ye. M. Primakov, "Vostok posle krakha kolonial'noy sistemy" [The East After the Collapse of the Colonial System], have a direct bearing on many processes, which are developing in Latin America, and should be used creatively in our scientific research.

V. L. Sheynis (Institute of World Economics and International Relations): You have spoken about the changing alignment of forces in favor of the national sector. Could you cite some general numerical indicators which could illustrate this trend? For example, comparative data on the functioning national and foreign capital?

L. L. Klochkovskiy: It seems to me that there are no such data, in any case I do not have them. As to the comparative amounts of the functioning capital, I can cite the data published by the Inter-American Development Bank on the amounts of capital investments, which are being made by means of domestic assets and assets enlisted from outside. The proportion of the former, for example, now comes to more than 80 percent. However, it seems to me, it is difficult to judge from these data the real alignment of forces. The increase of the scale of the nationalization of foreign property, the strengthening in a number of sections of the positions of the state and private national sectors, the diversification of foreign economic relations, the strengthening of autonomy in the sphere of foreign economic policy are confirmation of the advanced thesis. But, I repeat, this process is far from rigid, this is only a trend, here instances of movement backwards are possible, since the multinational corporations are actively seeking and finding means for opposition.

E. S. Dabagyan (Institute of Latin America): What can be said about the place of Latin America in the global expansion of multinational corporations, particularly in the sphere of the export of capital?

L. L. Klochkovskiy: During the 1950's and 1960's the tendency for the relative decrease of the role of Latin America as a sphere of the application of the capital of multinational corporations occurred in connection with the fact that they focused their main efforts on the developed countries. In the 1970's the importance of the region began to increase gradually.

Yu. N. Korolev: How is it possible to define the role of multinational corporations in the evolution of capitalism in Latin America?

L. L. Klochkovskiy: The multinational corporations, undoubtedly, are promoting the development of capitalist relations in the countries of the region. But their activity is of a very contradictory nature. Along with the acceleration of the development of capitalism and the increase of the productive forces in the region the penetration of multinational corporations into the economic life of the Latin American countries is leading to the strengthening of various forms of dependence, the increase of the degree of exploitation and so on.

Present Assessments of the Activity of Multinational Corporations in the Countries of Latin America, Doctor of Historical Sciences A. F. Shul'govskiy (Institute of Latin America)

At present, when the talk touches upon the establishment of the essence of the processes unfolding in the countries of Latin America, we frequently use such concepts as the "multinationalization" of the sociopolitical and economic structures of the countries of this region or the "interiorization" of the domination of multinational corporations in them. However, for the present we do not have a unity of opinions on these questions. In particular, I do not entirely agree with the point of view expressed by L. L. Klochkovskiy. In his opinion, the policy of import-replacing industrialization created favorable opportunities for the activity of

multinational corporations in the Latin American countries. Moreover, I got the impression that L. L. Klochkovskiy regards such a policy as also the dominant one today. It seems, however, that such a statement of the question does not make it possible to understand completely the criteria by which the multinational corporations are guided when strengthening their positions in the countries of Latin America.

So that my approach would be clear at once, I will note that for me the policy of import-replacing industrialization belongs to the past. It is impossible, of course, to deny the fact that the multinational corporations actively adapted this policy to their interests. It frequently turned out that they, either by appearing under the mask of national enterprises or by advocating protectionism, resorted to a kind of mimicry. Meanwhile this policy was at variance with the far-reaching expansionist plans of the multinational corporations. As a result rightwing authoritarian regimes, which put an end to the policy of import-replacing industrialization and began by multinationalization the modernization of the socioeconomic and political structures, were established in a number of countries of Latin America with the direct support of the multinational corporations. It must be said that similar processes also occurred in the countries, where the institutions of "representative democracy" were preserved.

In both instances we come across the complicated and ambiguous interaction of internal and external factors, which I would characterize as the process of the interiorization of the domination of the multinational corporations in the countries of Latin America. Such a massed penetration of the multinational corporations into the countries of this region is occurring to a considerable extent owing to the fact that the multinational corporations in the person of the local upper monopolistic bourgeoisie "discovered" for themselves a new partner, who relies on the potential of the developing system of the multinational corporations (I have in mind, of course, the most developed countries of Latin America).

When analyzing this problem one should, in my opinion, examine the activity of the multinational corporations through the prism of the world strategy of imperialism. Such an approach, apparently, will contribute to the more thorough and comprehensive revelation of the factors which are inducing the multinational corporations to promote the acceleration of the process of the capitalist modernization of the countries of Latin America and the formation here of the highest forms of capitalism.

The emergence of new forms of association among the different economic groupings, their political factions and the multinational corporations are frequently interpreted here as the multinationalization of the structures of the states of this region, which is leading to the more and more thorough integration of the countries of Latin American in the system of world capitalism with all the consequences which attend it. It is a question first of all of the fact that all the basic social contradictions, including the aggravation of the contradictions between labor and capital, which are characteristic of the capitalistically most developed countries, to an even greater extent are also being reproduced in the countries of Latin America. In other words, the equalization of the levels of the class struggle in different regions of the capitalist world is as if occurring.

I consider it necessary to dwell on this problem, since in Latin American political science and sociology there are points of view, the supporters of which, while declaring the existence in Latin America now of "peripheral," now of "dependent"

capitalism, confine themselves to the "specificity" of the development of the Latin American countries and do not attach the proper importance to the fact that the "peculiarities" themselves are nothing other than a manifestation of the general laws of the development of capitalism.

Therefore the most extreme assumptions are advanced at times. For example, the thesis that the multinational corporations are now as if the demiurge of all the major socioeconomic and political changes, which are now occurring in the countries of Latin America. From this standpoint the conclusion is formulated that in the region no state in the strict sense of this word exists, some kind of ersatz statism, which is guided entirely by the imperatives of the political strategy of imperialism, is taking its place. Such an interpretation of the role of the state in Latin America completely contradicts the internal logic of the development of its countries, by disregarding the ability of the different groupings of ruling classes to implement their own both domestic and foreign policy and to adapt flexibly to new forms of dependence.

The point of view about the Latin American "pseudo state system" is also thoroughly incorrect because it, in essence, denies the possibility of a revolutionary and anti-imperialist alternative of social development. For example, the supporters of such a point of view explain the causes of the counterrevolution in Chile, which is imposing fascism, all but by the natural need for the adaptation of the state to the new requirements of the capitalist international division of labor. Moreover, they conclude, in Latin America the emergence of "satellite" states, which are completely subordinate to the interests of the imperialist "centers of power," is ostensibly fatally inevitable.

Such a point of view is being soundly criticized on the part of Marxist scholars. In their opinion, it is impossible to understand the causes of the counterrevolutionary upheaval in Chile without the consideration of the domestic factors which predetermined the changes in the alignment of forces in favor of the reaction which is imposing fascism. And only on this basis is there then given an analysis of the process of the subordination of the Chilean state to the interests of the alliance of multinational corporations and local financial clans.

On the more general level of regional studies this problem is viewed by Latin American communists from the point of view of the ability of the forces of democracy to prevent the establishment of rightwing authoritarian terrorist regimes. It is a question of an exceptionally important political and theoretical problem which was raised by V. I. Lenin. His words concerning the fact that during the age of imperialism the strengthening of the reaction along all lines occurs, are well known. At the same time V. I. Lenin stressed that this trend is encountering increasing opposition on the part of the popular masses. Precisely this aspect of the question is attracting more and more attention of the Latin American communists and their allies when elaborating the strategy and tactics of the struggle against the alliance of the forces of the local reaction and the multinational corporations. In the program documents of a number of communist parties, which were adopted at the recent congresses (Venezuela, Colombia, Costa Rica, Panama), it is emphasized in every possible way that the democratic and progressive forces are capable of frustrating the plans of the reaction and, consequently, the outcome of the struggle against it is fatalistically not predetermined.

The problems of the interdependence of the anti-imperialist and anti-monopolistic strategy and tactics of the struggle hold an important place in the theoretical elaborations of the Communist Parties of all the countries, where an essentially antinational alliance of the local monopolistic bourgeoisie and the multinational corporations is forming. It is important to stress that the questions of these strategy and tactics are being studied by communists not only in the countries, where regimes of the reaction, which are imposing fascism, exist (Chile), but also in countries with regimes of "representative democracy" (Venezuela, Colombia). This is explained, in the words of communists, by the fact that regardless of the existence of different political regimes in different Latin American countries essentially similar processes of the monopolization and concentration of capital are occurring. At the same time it is important to note that the communists and their allies are basing themselves on the fact that the differences in the political regimes are of considerable importance for the search for organizational forms, methods and means of the anti-imperialist and antimonopolistic struggle. The point of such a statement of the question is also aimed against the thesis of the fatal process of the "satellitization" of the countries of Latin America under the influence of multinational corporations.

At the same time it is necessary to consider that there also exists a different ideological and theoretical statement of the question about the role of multinational corporations in the Latin American countries, which has been substantiated most thoroughly by Raul Prebisch in his conception of "peripheral capitalism." By analyzing his views, which have been presented in his latest book "Peripheral Capitalism. Crisis and Change" (Mexico City, 1981) and in many articles and statements, it is easy to see that they differ noticeably from the former ideas of this ideologist of desarrollism. First of all, R. Prebisch rejects one of the "basic" theses of desarrollism, which stated that economic progress in the countries of Latin America will inevitably entail the democratization of political systems and the formation of a state of "universal prosperity." At the same time Prebisch, as if criticizing his former statements, notes that the hope that foreign capital would be of service to the modernization of the countries of Latin America in the direction of "representative democracy" and for the purposes of alleviating "social tension," had also not been justified. In the words of R. Prebisch, the establishment in a number of countries of Latin America with the active support of multinational corporations of rightwing authoritarian regimes attests to the "peripheral" nature of Latin American capitalism, which he defines as "imitative," "consumer" capitalism which is oriented toward the protection of the interests of particularly privileged strata of the population. Such capitalism gravitates toward an authoritarian repressive political system and adopts the ideology of the "Chicago school."

R. Prebisch devotes much space in this connection to the criticism of the policy of multinational corporations. However, he sees in their activity in the developing countries not a manifestation of the general laws of the functioning of the capitalist system, but something special, which is characteristic of "peripheral capitalism." According to the definition of Prebisch, the multinational corporations, so to speak, preserve the "peripheral nature" of the Latin American countries, while imposing on them the consumerist standards of the highly developed capitalist countries. At the same time in his latest works Prebisch passes by such important questions as the role of multinational corporations in the creation in Latin America of the mechanisms of the modern capitalist economy, which leads to the aggravation of social contradictions at a new level. In the end, R. Prebisch

with certain modifications returns to the idea of the "enlightened state," which, in his opinion, is capable of making changes in the mechanism of the distribution of national wealth in the direction of greater "social justice," as well as of strengthening democratic institutions.

During our discussion the idea was expressed that as long as multinational corporations operate in Latin America, there can be no question of the fact that the countries of this region are capable of overcoming the difficulties and of taking the path of truly independent development. In this connection I would like to make one refinement. As is known, the multinational corporations are a component of the entire system of imperialist domination and, of course, only the socialist alternative will decisively undermine their position in Latin America. Until this has occurred, it can be a question of the struggle against the domination of the multinational corporations within the framework of the anti-imperialist and antimonopolistic strategy. A different means would reduce the struggle to a bundle of loud words about "ultrarevolution" and to the slogans, which V. I. Lenin derided when pointedly criticizing the supporters of "economic imperialism."

One must not, in my opinion, also forget that the multinational corporations in the system of imperialist domination are the vehicles of such a trend which, while promoting the internationalization of the world economy, also leads to the internationalization of the conditions of the class struggle. The entirely logical question of the proletariat of multinational corporations, its structure, place and role has arisen during our discussion. I would merely like that along with the analysis of the peculiarities of the status of these detachments of the working class more attention would be devoted to the common thing which brings them closer to the struggle of other detachments of the proletariat, and not only of the developing, but also the capitalistically developed countries. Such an approach, in my opinion, would contribute to the development of the strategy and tactics of the anti-imperialist and antimonopolistic struggle at the present stage.

The Essence and Forms of Asymmetric Interdependence, Doctor of Historical Sciences
V. P. Lukin (Institute of the United States of America and Canada)

It seems to me that at present the problem of multinational corporations should be examined first of all through the prism of those interrelations between the developed capitalist and the developing countries, which have formed in recent decades.

In my opinion, the very complex, contradictory process, which is filled with zig-zags and movements backward, but at the same time is irreversible, of the transition of the liberated countries from a state of one-sided dependence to a state of asymmetric interdependence with their ex-mother countries appeared during the 1970's. The rate and nature of the occurrence of this process are very different for the different regions of the developing countries, as well as within the individually taken regions. The asymmetric interdependence is manifested most of all in the Asian-Pacific Ocean region, in recent times there has formed an entire group of what are called "threshold" states and territories--Singapore, Hong Kong, South Korea, Taiwan, Malaysia, Thailand and others--which, apparently, in the immediate future will be able to come close to the developed capitalist countries. For the present their relations, for example, with Japan are of a dual nature: in them there are definitely no elements of the traditional relations which are characteristic of the "North-South" axis, and along with this new, nontraditional trends are

being observed. In particular, in the very same sectors of production, in which Japanese business is waging a successful offensive against the positions of its American "senior partner," the economic potential of Taiwan, Hong Kong, Singapore and South Korea is appearing as if "from the rear." Moreover, here it is a question not simply of the development on the basis of the export to these countries of "dirty," "unnecessary" works, but of competition in the sectors which are the privilege of current Japanese industrial production: shipbuilding and household electronics in the above-indicated countries and territories are inferior in hardly anything to those of the Japanese and the items of the given sectors owing to inexpensiveness are already competing successfully with the corresponding products of the "country of the standard."

Phenomena of this sort are also becoming characteristic of Latin America, particularly in the relations of the United States with Mexico, Brazil and Venezuela. I realize that at present such a point of view is not the only one. The intensification of the crisis processes in the capitalist world in recent years has been marked by the policy of the developed capitalist states becoming more rigid with respect to the developing countries. Under the conditions when everyone has to save himself on his own, and often at the expense of another, the contradictions and conflicts of the old type have come to the forefront and have attracted universal attention. However, with a careful examination of the present crisis situation on the world capitalist market it is being found that the United States, for example, has been forced to loosen for Mexico and Brazil the grip of the acute financial crisis not out of tender-heartedness and not because of general strategic considerations, but in the protective interests of its own financial and economic system. The consequences of the financial collapse of these and a number of other states for the North American economy may be unpredictable. This is one of the pieces of evidence of asymmetric interdependence. Moreover, its paradox consists in the fact that whoever has invested much depends more on the recipient country than whoever has invested little. It is well known that the degree of involvement of the multinational corporations and the government of the United States in the economy of the above-indicated countries is great.

One should, of course, differentiate the objective situation of interdependence (in our case, asymmetric interdependence) and the ideology of interdependence. The former is the process of the complication of the relations between the two systems within the framework of the capitalist economic system, the gradual change of the situation, in case of which the "active pulse" came from only one side. At present the processes of the evolution of the lowest and more passive part of the subsystem have led to the appearance of the objective conditions for the origination of the first active pulses on its part as well. Of course, an enormous advantage continues to remain with the highly developed capitalist countries. However, in this matter the identification of a new, perhaps, for the present weak trend is more important than the next round of "the repetition of what has been covered," the next statement (which, of course, is completely justified in itself) of the unequal status of developed and developing countries.

The ideology of interdependence is an attempt of the ruling class of the United States (more precisely, its liberal-globalistically oriented groups) to use this objective trend to counterbalance other trends, and particularly the centrifugal trend, and to create on its basis a world order which is advantageous to imperialism. In this sense the struggle against interdependence (against the ideology of interdependence) is necessary. Moreover, it is important to wage it on the basis

of thoroughly scientific assessments and criteria. One should not forget that the correct aspiration to give ideological form to the analysis of the objective mechanisms of dependence should not be hasty. Otherwise what is called the "demonic" external factor will hinder the scientific critical knowledge of the present problems of the development of the liberated countries. As a result the ideological formulations can be modified in the spirit of the times, but remain in essence the same and, consequently, ineffective, while the "demon" of absolute dependence in this case can be invulnerable.

It seems that the role and place of multinational corporations should be viewed in the context of the forming trend of asymmetric interdependence. In this connection their role as a tool of economic and political expansion, as an instrument of the preservation of unequal relations has already been studied carefully. The problem connected with the activity of multinational corporations, which is aimed at the formation of the political climate they need in the countries in which they are present, has been studied considerably less in our literature. The study of the contradictions between the multinational corporations themselves and the noncoincidence in a number of instances of their policy with the strategy of individual imperialist states, including the United States, is of great importance.

Moreover, the stepping up of the research on the nature of the interconnection of multinational corporations with the ruling circles of developing countries and the fusion of the management of multinational corporations with the ruling elite of these countries would be very significant and promising. The examples from the modern history of Latin America are aimed at these analysis. Apparently, the path which Brazil has taken since 1964 in many ways was due to the evolution of its ruling elite during the merging of the administrative personnel of multinational corporations with the Brazilian government bureaucracy. During the first years after the establishment of the military dictatorship it seemed that a direct and immediate dependence of the Brazilian state on foreign capital existed. Later practical experience showed that such an approach to the domestic and foreign policy of Brazil is somewhat oversimplified. Of course, the multinational corporations did not lose their essence of a plunderer of the national wealth of Brazil. However, the state capitalism of the country, which has powerful levers of economic regulation, decreased what is called the "floating" mobility of the multinational corporations operating in the country and placed their management in the position of "hostages" of a sort of their own interests. Moreover, as soon as the first results of economic modernization made themselves felt, the Brazilian state bureaucracy did not miss the opportunity to broaden the field of its own maneuvering by means of corporate tactics with respect to the multinational corporations. Precisely this process was one of the essential factors which were responsible for the recent changes in the foreign policy orientation of Brazil and marked its shift from a subimperialist status to the present policy, for which its own geopolitical designs are to a considerable extent the basis.

Similar trends are also occurring in a number of other countries of Latin America. On the level of ideology these trends of the confrontation and interconnection of the interests of multinational corporations and state capitalism of the developing countries are now finding reflection in the conceptions of what is called "state nationalism." At the foreign policy level their dichotomy is beginning to bear the nature of the political behavior of autonomous "centers of power."

The General and the Particular in the Anti-Imperialist Struggle of the Countries of Latin America, Candidate of Historical Sciences K. M. Obyden (Academy of Social Sciences)

It seems to me that so far we have been discussing the problem of multinational corporations in a quite one-sided manner. The discussion is following for the most part the line of a political economic analysis, which is aimed at explaining the means of the further development of Latin American capitalism under the influence of multinational corporations. Meanwhile I would also like to examine this problem from the point of view of revolutionary theory. In my opinion, this would enrich Marxist theory with a new ideological arsenal and would make it possible to reveal the new prospects of revolutionary practice, and not of some indefinite future, but of today.

In this connection the experience of the Cuban revolution is instructive. This experience is making new adjustments in the strategy and tactics of the revolutionary struggle, requires a more creative interpretation of the interconnection between the stages of the revolutionary process and shows that at its first stage the revolution should not necessarily be of a directly anti-imperialist, national liberation nature.

What here is new theoretically? Does this mean that the Cuban revolution at the first stage did not have an anti-imperialist orientation? Of course not. Imperialism, undoubtedly, is the main obstacle in the way of the overcoming of the socio-economic backwardness of not only the Latin American, but also all liberated countries. Therefore, when communists come out in favor of the unity of the actions of the peoples of developing countries in the struggle against imperialism, this does not raise any doubts. Meanwhile, when it is a matter of the revolutionary process in individual countries, the question of the main direction of the struggle cannot be settled without regard for the correlation of specific internal and external factors. That is why the anti-imperialist struggle in countries of a different type of development can be filled with a different content.

When examining this question with reference to the countries of Latin America, it is important to note that imperialism here has already ceased to be an external phenomenon. The active process of the fusion and interconnection of foreign and local capital is occurring under the influence of multinational corporations. Moreover, the rivalry of these capitals, the contradictions emerging between them and the aggravation of the latter are frequently still perceived as manifestations of the anti-imperialist struggle which is being waged by the national bourgeoisie. In case of such an approach, of course, it is impossible to understand that the domination of finance capital in general and of local finance capital in particular is the basis for the domination of the multinational corporations in Latin America.

The many years of experience of the liberation struggle of the peoples of Latin America show that these countries cannot free themselves from imperialist oppression and exploitation, without having crushed the power of local big business, the financial oligarchy. The modern history of Latin America is rich in such examples. Among them is the nationalization of the petroleum industry and the railroads by the Cardenas government in Mexico in the 1930's, the tin mines and petroleum industry as a result of the revolution (1952) in Bolivia and, finally, the petroleum and mining industries in Venezuela in the 1970's. However, none of the enumerated countries as a result of the taken steps has so far freed itself from imperialist

dependence. Moreover, their dependence, while changing, even increased. Suffice it to cite the present foreign debt of Mexico, which has exceeded \$82 billion, Bolivia--\$3.5 billion, Venezuela--\$36 billion. During nationalization, in my opinion, additional impetus was given only to the process of the enrichment of the local bourgeoisie, to the monopolization of the economy and on its basis to the fusion of local and foreign monopoly capital.

In light of the posed problem it is impossible not to direct attention to the lessons of the Chilean revolution, which from the very start launched an offensive against foreign monopoly capital. And nevertheless the revolution was forced to retreat in the absence of the direct intervention of imperialism, since it was not able to undermine in good time the economic and political might of local finance capital. The Chilean experience teaches that the anti-imperialist struggle does not end with the nationalization of foreign property, but can assume an even more critical nature. The nationalization of the property of foreign monopolies in Latin America assumes a truly anti-imperialist nature only when it is carried out along with effective steps on the undermining of the dictatorship of local capital. In other words, the present reality of Latin America and the experience of the revolutionary struggle in the countries of the region attest to the need for the fundamental combination of the struggle against imperialism and the struggle for socialism.

Many Communist Parties of Latin America share this point of view. "The revolution, which is growing ripe in our country," it is stated, for example, in the "Theses" adopted by the Seventh Congress of the Communist Party of El Salvador, "in its essence is socialist, but it should have its own prologue, its own beginning--AN ANTI-IMPERIALIST DEMOCRATIC REVOLUTION [in boldface]. This is a question not of two revolutions, but of one--the socialist revolution, but it should inevitably be carried out under widely unfolded anti-imperialist democratic banners. Only in this sense is it possible and necessary to assert: THE REVOLUTION, WHICH IS GROWING RIPE IN OUR COUNTRY, IS AN ANTI-IMPERIALIST DEMOCRATIC REVOLUTION" [in boldface].²

It seems to me that the assessment by Latin American communists of the nature of the revolutions taking place and becoming imminent on the continent gives a correct methodological indication for the elaboration of the anti-imperialist strategy of the struggle, including against the domination of multinational corporations. It seems to me that for the successful completion of this elaboration one should weigh critically all the new and latest phenomena of Latin American reality.

S. V. Patrushev: Does it not follow from your report that at the first stage of the struggle the offensives against multinational corporations remain in "reserve"?

K. M. Obyden: By no means. The struggle should be waged against both local and foreign monopolies. It is merely a matter of the fact that without the elimination of the power of local finance capital it is also impossible to eliminate the domination of foreign monopoly capital. Therefore it is necessary to wage the struggle against finance capital in general. Here it is necessary, of course, also to make use of the conflicts between local and foreign finance capital.

2. PROBLEMY MIRA I SOTSIALIZMA, No 10, 1979, p 85.

In other words, it is a matter not of helping local finance capital to grow strong at the expense of foreign finance capital, but of making use of their confrontation for the elimination of the dominant positions of both. As to the problems of strategy and tactics, the determination of the content of the stages of the revolutionary struggle, it is necessary in each specific case to approach this question creatively.

A. V. Nosov (Institute of World Economics and International Relations): Does it not seem to you that the example of the revolution in Cuba and Nicaragua attests in favor of the thesis that the struggle against multinational corporations promotes the development of the democratic stage into a socialist revolution?

K. M. Obyden: In my opinion, the revolutionary experience of these countries proves rather the opposite. The struggle against the local oligarchic cliques, while developing into the process of radical social transformations, objectively broadened the framework of the anti-imperialist demonstrations, having given them a qualitatively higher content. Incidentally, in Nicaragua this process has not yet undergone full development. As far as I know, here the property of foreign companies has not yet been nationalized on a broad scale.

And, finally, as to the possibility that the struggle against the multinational corporations might speed up the development of the revolutionary process along the path of radical social changes, it is impossible, undoubtedly, to rule out such a prospect. Under certain conditions this is entirely possible, although so far, as the practical experience of the present revolutionary movement in Latin America shows, here there has not yet been one instance when a social revolution began due to the struggle against foreign capital.

E. V. Levykin (Institute of Latin America): In light of what you have said, do you regard as positive or negative, for example, the aspiration of individual Latin American countries to regulate the activity of multinational corporations? Should or should not one support the struggle of the Latin American countries and other developing countries for equal rights in the system of the capitalist division of labor?

K. M. Obyden: I believe that we should approach this question in an individualized manner, from the point of view of both the global and the regional prospects of the renovation of the world.

Various forces, which are pursuing different goals, are taking part in the struggle. As a whole it is aimed at the undermining of the positions of the basic forces of world imperialism, which creates more favorable conditions for the liberation, revolutionary struggle. And the international working class and all progressive forces should, undoubtedly, support this struggle, although in a number of instances it might promote the development and strengthening of local capitalism. And this circumstance must not be overlooked.

In my opinion, the revolutionaries should construct their policy on the basis of the revolutionary future, and not in the interests of the development of "independent capitalism." The direct support of local capital in its struggle against foreign capital frequently leads only to the "spreading" of nationalist tendencies in the midst of the working class and to the loss by it of political initiative. The

direct support by progressive forces, for example, of the nationalization of foreign enterprises promoted to a greater extent the strengthening of the economic and political positions of the national bourgeoisie and in many instances hindered the revolutionary process. It is important for the working class to stand up for the general demands of the anti-imperialist struggle and to be in the forefront of the forces which are fighting for not only complete national, but also social liberation. Undoubtedly, all these questions need further thorough elaboration.

For a Qualitatively New, Democratic International Division of Labor, Doctor of Economic Sciences I. D. Ivanov (Institute of World Economics and International Relations)

First of all I would like to recall that the phenomenon of multinational corporations is a complex phenomenon. This is a field of the work of not only economists, but also lawyers, political scientists and specialists in the area of management, who for the present lag in the study of this problem. We have a poor knowledge of multinational corporations as agents of world policy (and for a long time now they have been not only management enterprises), and this is hindering the process of research as a whole. Moreover, the analysis of the operations of multinational corporations frequently takes place as if on two nonintersecting planes: it is either a purely critical analysis or a primarily technical and economic, an applied analysis. Meanwhile these two lines should be developed in interconnection, enriching each other. It is impossible to chastise multinational corporations, without having become acquainted with their technical and economic peculiarities. But it is also impossible to study academically the experience of their management, without taking into account its political essence and orientation.

From this standpoint researchers are faced with a number of important problems. What role will multinational corporations play in the commenced and far-reaching structural reorganization of the world economy? The process of "reindustrialization," which consists in the rejection of the primary processing of imported raw materials, which have become more expensive, and the changeover of industry to the new, "science-intensive" stage of production, has already begun in the developed countries. The old, "lower" stages of the processing industry are being shifted more and more to the developing countries. These processes are being impeded by the world recession and protectionism, but nevertheless they are irreversible. In the 1990's at the turn between the two centuries in the West and in the developing world, at least in many regions of it, we will have before us some new industrial structures which differ from the present structures. The multinational corporations first of all will be the vehicles of these changes, since large-scale efforts, and first of all on the microlevel of the economy, are required for this. The bourgeois state has still not learned to combat structural crises, and it does not have budgetary assets in sufficient amount, especially in the liberated countries, for the financing of "reindustrialization" and the elimination of the consequences of possible errors (while the risk is great). But how the multinational corporations will cope with such a task, what new problems and contradictions will arise in this case, what possibilities and limits modern private monopoly capitalism will discover are an extremely interesting theme for scholars. When examining it both a critical approach (for "reindustrialization," of course, will be spontaneous and will result in major social and other costs) and the consideration of what is new in the development of productive forces, which objectively brings the competition of the two systems to the "science-intensive" stage, are necessary.

All this also forces us to look at multinational corporations in a slightly different way. It is clear that in the future competition of the two systems much will be decided on the microlevel of the economy. Such modern qualitative factors of production as efficiency, intensity and productivity appear here, and not in macro-economic summaries. Multinational corporations are already today appearing in the competition of the two systems as direct and immediate antipodes of socialist enterprises and their associations. So far we do not perceive them and are not studying them in such a capacity, but we must.

Apparently, a new stage is also beginning in the interrelations of multinational corporations with developing countries. As is known, the 1960's and 1970's passed under the sign of the limitation and the supplanting in them of foreign capital, the restoration by young states of sovereignty over natural resources and some types of economic activity. There were about 2,000 instances of the nationalization of the assets of multinational corporations. Even a new area of national legislation on the control of their operations formed. Visible traits of economic decolonialization came through in all of this. However, now the situation is changing somewhat. The expediting of economic development was far from a simple matter. Many countries increased the proportion of domestic accumulation to the maximum, but for the present there is not enough capital, the return on investments for the present is low. It is hardly possible to resort further to loans on the world loan capital market, since the foreign debt has reached catastrophic amounts. Under these conditions many developing countries see a solution in the attraction of direct capital investments of multinational corporations and are displaying a conciliatory attitude toward them.

In many countries a certain moderation in the positions of the state sector is being observed: it is agreeing more and more often to cooperation with multinational corporations. The criticism meant for the multinational corporations on the part of developing countries and in international organizations is sounding more muffled. The interest of these countries in the drawing up of international regulatory documents, particularly "a code of behavior" for multinational corporations, is decreasing. Conceived as a means of protecting the interests of national states, this document is gradually turning into a compendium of "mutual obligations" of governments and multinational corporations. The multinational corporations themselves, which have assimilated new forms of operations in the developing countries, are also not wasting time.

The future consequences of the new international expansion of monopoly capital are clear: they are the increase of the dependence of young states, the "union" between the local and foreign monopolistic bourgeoisie, the emasculation of many slogans and programs of economic decolonialization. On this basis it is important to explain both theoretically and practically, in what the essence of this new expansion of multinational corporations specifically consists, how their capital "will be inscribed" in the present alignment of class forces in the developing countries with allowance made for their differentiation. Here it is necessary not only to expose the activity of the multinational corporations, but also to advance a constructive alternative to it of both an internal and an external nature. It should be a question of such a general democratic alternative (for example, the democratization of economic policy and law and order in the country accepting multinational corporations), which would not permit the undermining or "embourgeoisement" by them of the state sector, but would promote the stimulation of all forms

of local collective production and the development of an organized workers' movement and would place greater emphasis on regional integration and cooperation among the developing countries and on economic convergence with the socialist world. In my opinion, it is the immediate international duty of Soviet scholars to help in the elaboration of such an alternative, to suggest its components.

In the context of what has been said the examination of the question of the inclusion of the developing countries in the process of the division of labor in singular and the distribution of production among countries is of great importance. Enormous potentialities of growth and the increase of the efficiency of labor are incorporated in it. Active involvement in the process of the division of labor in singular,³ if we look at the root of things, was the objective basis of the ascent of multinational corporations as management enterprises. Incidentally, in the relations with developing countries we should have our own effective model of international production cooperation, which would conform to the economic interests of these countries and would not leave the field of the division of labor in singular exclusively to the multinational corporations.

It is well known that this idea also has its critics, who believe that involvement in this process would imply the participation of our country no longer in only trade, but also production operations abroad, while this ostensibly make us "similar to multinational corporations." Such a line of reasoning is at any rate one-sided. First, production operations in developing countries with the participation of socialist enterprises, to say nothing of their economic expedience, are qualitatively different and create not "analogues," but a practical alternative to the operations of multinational corporations, that is, a counterbalance, on which all those, whom the expansion of multinational corporations threatens, can rely. Second, capitalism by the hands of multinational corporations is attempting to carry over in a mass manner its mode of production to the developing countries of socialist orientation. Is it proper to leave in these countries the still unstrong shoots of collectivism one on one with the growing private owner element? Will such cooperation with the socialist countries really not reinforce--materially, structurally, fundamentally--the socialist orientation (wherever it exists)? How, if not by helping the liberated countries locally, is one "to change over to the use of machines, to the facilitation of labor, to democracy, to communism"?⁴ Will all the developing countries really not gain from closer involvement with crisis-free expanded socialist reproduction?

In short, it is necessary "to oppose the two modes of managing the economy--the socialist and the capitalist"⁵ not only within the boundaries of the two systems,

3. One of the types of the social division of labor. According to Marxist methodology, it is (in contrast to the general and the particular type) the labor cycle at a single enterprise, firm, corporation and so forth. Multinational corporations lend an international nature to the division of labor in singular. In this case the technological production cycle of the multinational corporation is broken down among its foreign affiliates by individual specialized operations.

4. V. I. Lenin, "Poln. sobr. soch." [Complete Works], Vol 30, p 120.

5. V. I. Lenin, "Poln. sobr. soch.," Vol 42, p 77.

but also on the periphery of capitalism itself, since today favorable conditions are forming there for this. Once again the multinational corporations will be the opponents in this opposition, which also confirms the need for their thorough study.

And there is a last problem, about which I would especially like to speak. The thesis of "price discrepancies" as a quantitative expression of "nonequivalent exchange" has already been repeatedly refuted, but then emerged again on the pages of our scientific journals. They say, for example, that if Colombia in the 1930's paid 20 bags of coffee for a tractor, and now pays 50 bags, this is also an increase of the degree of exploitation. I believe that it is necessary to give up this oversimplified approach. Arguments of this sort are at variance with the law of labor value, in accordance with which the exchange of goods should be carried out in accordance with not individual, but socially necessary values. On the scale of the world market the latter find their expression in world prices. No matter how inconvenient these prices are for one country or another, they are objective. The Soviet Union also conducts trade in accordance with them, they also serve, although in averaged out form, as the basis of prices in case of trade within CEMA. Therefore, to interpret them as monopoly prices (this also happens) means to be at variance with both political economy and world economic practice. And then how is it possible to compare a modern and prewar tractor according to the quality and complexity of the labor embodied in them? To "freeze" the proportions of the embodied exchange of labor which is continuously becoming more complex (machines and equipment) and of qualitatively nearly stable simple labor (raw materials) in the name of egalitarianly understood equivalence means to "freeze" technical progress, that is, to run counter to the tasks of development, including of the liberated countries themselves.

V. P. Totskiy: What definition could you give of multinational corporations?

I. D. Ivanov: Here it is necessary to take into account the political and economic aspect of the question. If you consider any organization, which has if only a barn abroad, to be a multinational corporation, it is possible to run into absurdity. For example, in such a case any documents, which regulate the activity of multinational corporations, also have a bearing on them. It is obvious that from the entire "ocean" of foreign firms and companies it is necessary to select those which actually are multinational monopolies. It seems to me personally that these are firms, which have enough power to influence the economic and policy of developing countries and to produce the impact for which we criticize them. By our estimates, there are few such firms, perhaps 600-700. At the same time, the Soviet Union at international forums has spoken in favor of the fact that the question of whether one firm or another is a multinational corporation, would be settled by the accepting country.

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[Excerpt] Multinational Corporations Are a Factor of Financial and Economic Destabilization. The "Critical Mass" of Dependence, Doctor of Economic Sciences I. K. Sheremet'yev (Institute of Latin America)

The activity of multinational corporations in the developing countries, in my opinion, is becoming more and more contradictory, being exposed to the influence of a broader and broader group of political and economic factors, which are at work both

in the countries of the basing of multinational corporations and in the states which accept foreign capital. The international situation as a whole, which is changing not in favor of the forces of imperialism, is also having an increasing influence on their positions with respect to the developing countries.

L. L. Klochkovskiy, who spoke here, said, for example, that multinational corporations are playing a definite role in the process of the intensification of import-replacing industrialization, by channeling more and more investments into the development of the export sector of the processing industry of Latin American countries. It is also impossible not to see other changes in the line of behavior of multinational corporations in the region: what is first of all meant is their mediation in the transfer of organizational know-how, technical knowledge and so on. These changes in the strategy and tactics of multinational corporations lie in the course of the overall changes, which are inducing the imperialist states to make certain adjustments in their approach to the problems of the development of the Third World. It is a question first of all of the consideration by imperialism of the increased aspiration of the peoples of the former colonial periphery for the strengthening of their independence, for economic and social progress. Here we have an attempt of the imperialist powers by means of the corresponding concessions and specific steps to meet the interests and needs of the developing countries to keep them in the orbit of world capitalism, to slow the buildup of discontent with backwardness and economic dependence. Finally, the factor of the aggravation of the interimperialist conflicts, which to a certain extent in case of the intensification of the struggle for markets, raw material resources and spheres of the application of capital leads to the path of concessions to the developing countries, also plays a considerable role.

All these changes received generalized expression in the thesis advanced by the 24th CPSU Congress: "The peculiarities of modern capitalism to a significant extent are explained by the fact that it is adapting to the new situation in the world."¹ This important conclusion gives a key to the understanding of those very significant changes, which are occurring in the relations between the centers of world capitalism and its periphery, particularly the multinational corporations and the developing countries.

At the same time another thing should also be emphasized. The extensive participation of multinational corporations in the economic development of "peripheral" countries is fraught with serious consequences for the latter. The expansionism of multinational corporations, even while stimulating the economic growth of the "periphery," at times acts like a delayed-action mine. It is possible to illustrate this on the basis of the experience of such a large Latin American country as Mexico.

Quite recently, in September 1982, as is known, an event, which rocked Mexican society and had repercussions throughout the world, occurred in this country. It is a question of the decision of the government to nationalize local private banks. This step in its importance compares with the nationalization of the petroleum industry of the country in 1939. What was this extreme measure attributable to? What

1. "Materialy XXIV s"yezda KPSS" [Materials of the 24th CPSU Congress], Moscow, 1971, p 14.

problems and contradictions of the "Mexican model" of development were refracted in it?

I am far from thinking of directly connecting the nationalization of local private banks in Mexico with the activity of multinational corporations in this country. This would be incorrect. The passage into the hands of the state of the economic levers, which were the buttress of strong financial and industrial groups and the upper crust of the local bourgeoisie, was attributable to a set of factors. However, the consequences of the expansion of multinational corporations in Mexico also played not the last role in this.

Since the 1960's Mexico has become one of the main objects of the exertion of the powers of multinational corporations in Latin America. In the amount of private foreign capital investments (at present \$6-7 billion) it is inferior in the region only to Brazil. This factor, undoubtedly, was one of the springs of the "economic surge" of Mexico--the quite rapid development of its economic, primarily industrial, potential. In the end it served as one of the main causes of the destabilization of the monetary, financial and economic situation of the country, having been exposed most obviously at the crisis phase of the development of the economic "model" of Mexico, in which the problems of an enormous foreign debt, a record deficit of the trade balance and balance of payments, the state's lack of financial resources and runaway inflation were interwoven into a single knot. The aggravated social problems: progressive property inequality, the increase of unemployment, the decrease of the real income of the working people due to the rapid increase of prices for consumer goods, should also be added to them.

It is very noteworthy that even such a mighty source of currency receipts of Mexico as petroleum (the revenues from petroleum exports increased from \$40 million in the early 1970's to \$13-14 billion at present) did not save the country from the most serious financial and economic crisis.

The destabilizing role of multinational corporations found expression first of all in the fact that, by resorting to the services of private banks, they began to transfer feverishly abroad the monetary accumulations of their affiliates and branch enterprises, striving to avoid losses from the inflationary depreciation of Mexican currency. This fever extended to the entire private sector, having caused an unprecedented wave of speculations in foreign currency and other "hard" valuables. The consequences of the outflow immediately affected the level of employment of the population. According to an estimate of the Secretary of Labor, in 8 months of 1982 alone 400,000 people were discharged in industry, not counting the sphere of construction, in which another 500,000 workers were deprived of work. In all the number of people not having permanent earnings came to 8 million.

The initial government steps aimed at the curbing of the economic crisis (for example, the introduction of a dual exchange rate--a preferential exchange rate for the payment for imports and interest on the foreign debt, as well as a market exchange rate) did not yield results. In the emergency situation the government of Lopez Portillo made the decision on nationalizing local private banks.

The experience of Mexico, which for a long time was considered the most "successful" developing Latin American country, gives, in our opinion, grounds to draw the conclusion that "the model of economic development," which is based on the

"services" of multinational corporations, loans and credits of imperialist states, under certain circumstances causes serious dislocations, the consequences of which fall as a heavy burden on the shoulders of the working people.

It would probably be incorrect to draw any categorical conclusions with respect to the advisability of attracting foreign capital for the needs of the development of "peripheral" countries. The approach to this question should be weighed. Foreign capital should not exceed such a "critical mass," which is capable of demolishing or seriously destabilizing the adopted "model of development." Another thing is also clear: only such a strategy of national development, which ensures most completely the use of internal potentials and reserves, makes it possible to avoid risk. From such a point of view the nationalization of local banks in Mexico and their inclusion in the system of enterprises and organizations of the state sector are an entirely justified economic step.

V. L. Sheynis: Igor' Konstantinovich, I completely agree with your point of view. I would ask you to state exactly: Who gave the impetus to the outflow of capital--the affiliates of multinational corporations or the local financial bourgeoisie?

I. K. Sheremet'yev: The affiliates and subsidiary companies of the multinational corporations were the "instigators" of this process, which was painful for the country, and all the time poured, so to speak, oil on the fire. At the same time, as I have already stated, the "fever" of transfer operations extended to the entire private sector, having also encompassed a certain portion of the so-called bureaucratic bourgeoisie. As long as the free exchange of pesos for dollars was still preserved, as long as private banks still operated, everyone, who had considerable monetary accumulations, began to convert them into foreign currency deposits and to transfer them abroad, primarily to North American banks. Not only the aspiration to protect oneself from inflation was reflected in this process; the flight of capital was also spurred on by the high interest rates on bank deposits, which had been established in the United States. For private Mexican banks the exchange of pesos for dollars under the conditions of agiotage turned into an abundant source of speculative gain. Even the specific term "malinchism,"² that is, the activity of the big shots of the private banking business, which runs counter to national interests, appeared. As a result of the flight of monetary capital the currency reserves of Mexico began to dwindle rapidly: whereas previously they had been kept within the range of \$2-3 billion, at the height of the crisis they had decreased to \$400-500 billion. A really catastrophic monetary situation had formed by the autumn of 1982.

S. A. Mikoyan (the journal LATINSKAYA AMERIKA): Is the emergence of this situation not connected with the fact that the financial machinations of the multinational corporations in Mexico should have decreased the ability of the government of this country to oppose the attempts of the Reagan Administration to reorient its foreign policy?

I. K. Sheremet'yev: Generally speaking, it should be noted that there are many obvious facts which attest to the pretensions of the present American administration

2. After the name of the daughter of the leader of one of the Indian tribes, Malincha, who helped Cortez to conquer the indigenous population.

to the role of the decider of the fates of countries and peoples, in which considerable space is allotted to the coordination of the activity of the affiliates of North American multinational corporations abroad. Within the framework of its global policy Washington at times openly, really crudely exerts pressure for the purpose of changing their economic strategy. Does not the well-known fact of its pressure on the affiliates of North American multinational corporations in Western Europe, which is aimed at the curtailment of economic relations with countries of the socialist community, testify to this? It must be assumed that the American administration is striving to direct the activity of its multinational corporations in other regions of the world as well, including Latin America.

If one speaks about the events which occurred in Mexico, one should bear in mind that in this country a policy of the utmost "interlocking" of multinational corporations in its economic fabric, the broadening of their operations under the protection of the slogans of "partnership" and so forth is most likely being pursued. Objectively in connection with the development of political events in Central America official Washington is not interested in the destabilization of "the Mexican model of development." It seems that the mass outflow of monetary capital from Mexico in the early 1980's, including through the channels of the North American multinational corporations and the private local banks connected with them, was hardly among the designs of American authorities. It seems that a spontaneous process, which stemmed from the increase of the contradictions of dependent capitalist development, is the basis for this phenomenon. Apparently, the very same event, when the narrow corporate interests of the North American multinational corporations were at variance with the "great policy" of American imperialism with respect to its nearest southern neighbor, occurred in Mexico.

At the same time it is not ruled out that certain political circles of official Washington attempted in their own interests to take advantage of the economic difficulties of Mexico. Probably, at some stage of the aggravation of the economic crisis in this country the possibility of its utilization in the political interests of the United States was also not ruled out. However, the further deterioration of the economic situation in Mexico alarmed in earnest its northern "guardians." Mexico was granted new large credits on an emergency basis, the payments on its previous debt to the United States were deferred. These facts testify that the fear of a financial catastrophe of Mexico, its spread to the north and the loss of the Mexican "reserve" of capitalism was stronger than the intentions to "teach a lesson" to this country for its foreign policy disobedience. It is impossible, of course, also not to see that the new "aid" of the United States is being used first of all as a means of economic pressure on Mexico. The Reagan Administration, unquestionably, is attempting in this way to compel it to increase the deliveries of petroleum to the United States and to subordinate it to its petroleum geopolitics.

V. L. Sheynis: You have expressed the interesting idea of the "critical mass" of foreign capital as a certain permissible limit of its use for the purposes of the development of the economy of the receiving country. Is this a figurative expression or do you have views with respect to the method of determining this "critical mass"?

I. K. Sheremet'yev: I used this expression in the figurative sense. I do not presume to give now any ready-made formula, which is backed by the appropriate

calculation and which would make it possible in each specific case to determine the permissible limit of the use of foreign capital in the economy of one developing country or another.

Precisely Mexico gave me the idea of the existence of a "critical mass" of foreign capital. The experience of this country shows that the "critical mass" of dependence on foreign capital is not an abstract or far-fetched concept. It is a kind of "delayed-action bomb," which is capable under certain circumstances of working and destabilizing the process of national development. Is it possible to express somehow the "critical mass" of dependence, to establish its quantitative parameters? It is still necessary to think seriously about this question. Some attempts are already being made in this direction. It is believed, for example, that the total amount of the payments by the debtor country in favor of foreign capital should not exceed 40 percent of its currency receipts from exports (in Mexico this indicator on the eve of the most urgent phase of the crisis came to 65 percent). Another, in our opinion, important indicator of the level of dependence is the ratio of the currency reserve of the country to the volume of its imports (in Mexico it decreased to 12 percent as against 30 percent on the average for all the countries of the region). Of course, these two indicators alone cannot constitute the formula of the "critical mass." The search for such a formula should be continued, by introducing into it additional quantitative and, perhaps, also qualitative indicators.

In this connection I would like to express the following opinion. The experience of the same Mexico testifies that the ceiling of the "critical mass" of dependence is flexible, it can be higher or lower depending on the situation in the country and the state of the world capitalist economy as a whole.

A. P. Karavayev (Institute of Latin America): Are the multinational corporations having any influence on the process of the formation of state monopoly capitalism in the countries of Latin America?

I. K. Sheremet'yev: It is possible to answer this question quite specifically: they do and a very significant influence. By taking root in the national economy, the multinational corporations in a number of Latin American countries are speeding up the process of the concentration and centralization of capitalist production and are actively contributing to the increase of the level of monopolization of the economy. By entering into "partnership" relations with local big business, the multinational corporations thereby contribute to the reorganization of the traditional spheres of its application, which is inevitably accompanied by the strengthening of the control over them on the part of the monopolistic sector. With the participation of multinational corporations the process of the interconnection of large-scale industrial and banking capital is also occurring more rapidly. The multinational corporations, as is known, when broadening their expansion in those Latin American countries, where favorable financial conditions exist, do not resort to the extensive use of their own investments. At the same time the activity of the multinational corporations is promoting the broadening of the economic bases of the formation of the local financial and industrial oligarchy.

These processes, of course, are affecting the political superstructure of the leading Latin American countries, the interests and practical activity of their state machinery, including its financial, credit and other economic subdivisions. In

turn, of course, during the formation of Latin American state monopoly capitalism under the influence of multinational corporations the latter are interwoven into its structure, in some cases occupying its leading "stories," while others--secondary ones. "Success" in this case depends on how great a willingness to agree to cooperation with the multinational corporations one government or another displays.

Latin America Is a Special Sphere of the Interests of Multinational Corporations, Candidate of Economic Sciences Ye. A. Kosarev (Institute of World Economics and International Relations)

It is well known that the developing countries are taking significant and, in a number of instances, decisive actions for the purpose of ensuring stable and just international economic conditions for their development. However, complicated problems connected with the expansion of multinational corporations are arising before them on this path.

The multinational corporation, this complex mechanism of modern capitalism, emerged under the conditions of its general crisis and along with the task of deriving superprofits is called upon to also take part in the accomplishment of another, more important task, which consists in the assurance of the sociopolitical viability of the world capitalist system. In this capacity it ranks with the previously created international economic levers of the preservation of the dependence of the developing countries, such as the International Bank for Reconstruction and Development, the International Monetary Fund and the General Agreement on Tariffs and Trade are. Each of these organizations is involved in the fates of the developing countries in conformity with the interests of the "centers" of capitalism, their policy in the sphere of investments and the development of production, the monetary and financial sphere and foreign trade. Now, by means of multinational corporations, it has become possible to control more effectively these three spheres of the developing countries.

The enlargement of the arsenal of means of imperialist influence on the developing countries is posing many new questions for Marxist researchers. Among them is the problem of whether it is possible--and if it is, in what way--to place the multinational corporations at the service of the national interests of the countries of Latin America. This theme is a multilevel one. Therefore I will limit myself to the examination of only a number of its aspects, first of all the following questions: For what is Latin America attractive to multinational corporations? What are the peculiarities of the development of Latin America in connection with the activity of multinational corporations? What are the possibilities of Latin America for checking the expansionism of the multinational corporations?

From the point of view of the attractiveness of Latin America to multinational corporations, first of all the comparative data on the capital investments of multinational corporations in the regions of the developing world and on the export of profits arouse interest. Permit me to cite these data (in millions of dollars) for the period from 1970 to 1978 (see the table).

From the cited data (which were calculated in accordance with the materials of UNCTAD for 1980) it follows that in the level of the profits being exported Latin America as if is not the most attractive region of the developing countries for multinational corporations. And nevertheless, half of the foreign investments,

for which these countries account, were channeled into Latin America. What is the matter? After all, for the multinational corporations the deriving of profits, in the end, is the most important criterion of the choice of a country or region when specifying the investment policy. If this is not the case, what other criteria serve for the choice of the place of capital investments, what else can attract multinational corporations?

	Invest- ments (1)	Exported profits (2)	Ratio (2):(1), percent
Total.	42200	100217	237.5
Including:			
Latin America.	21971	26612	121.1
Africa	4662	18301	392.6
Near East.	742	37878	5105.0
Asia	14316	16729	116.8
Oceania.	509	697	136.9

The overall level of economic development of Latin America, the relative stability of the growth rate and as a whole the greater readiness of the region for the placement of capital investments of the modern type and, consequently, the obtaining of relatively stable revenues attract an investor of a special type, who is capable of performing all the functions of capital (the production function, the function of scientific research and experimental design operations, the function on sales and service, the credit and financial function).

In the countries of Latin America industrialization has advanced so far that production is changing over from an economy, which replaces imports, to the output of mass-produced products which are oriented toward export. Newer and newer types of production, which is based on the use of modern technology, are being created. Agrarian reforms, which have made it possible not only to expand the domestic market, but also to actively introduce stocks of land in the economic turnover, have been carried out in a number of countries of the region. The infrastructure as a whole and especially transportation, communications and power engineering are being developed. The introduction at the turn between the 1950's and 1960's of planning, which is aimed at providing their own models of economic development, contributed to the economic upswing of individual countries of the region. As a whole during the last three decades not only the technological, but also the financial potential of Latin America has increased.

In this connection among the conditions attracting multinational corporations it is possible to distinguish the following ones. First, the changeover of a number of Latin American countries from extensive development to intensive development, which is based on the introduction of new technology and the increase of labor productivity. With respect to this indicator, in particular, a stable growth of the gross national product of up to 3 percent is occurring in 5 countries, up to 4 percent--in 6, up to 5 percent--also in 6 countries of the region. Second, the relatively high level of literacy of the population of Latin America as compared with other zones of the developing world provides the more stable prospect of the use of modern technology, which involves the use of highly skilled, but relatively low-paid manpower. Third, the possibility of attracting additional local financial resources is of great importance for the multinational corporations. While retaining the leading

role of an investor, the multinational corporations are interested in increasing the scale of their financial potential. In this respect Latin America is as compared with other regions a very advantageous zone of the developing world for multinational corporations. In a quarter of a century the rate of accumulation, having been the highest in the developing countries, increased in Latin America from 17.8 percent to 22.1 percent in 1977. During the 1980's it will probably reach the level of 25 percent. This is enabling the multinational corporations in case of small amounts of their own investments as compared with other regions of the developing countries to take root in the economy of Latin America first of all by means of leadership in the area of new technology and the efficient organization of foreign trade operations and, in turn, with comparatively small expenditures to influence the course of development of the Latin American countries as a whole.

Fourth, Latin America is also attracting multinational corporations owing to a more developed infrastructure, and transportation in particular. Finally, this region has a more powerful scientific research base than in the countries of Asia and Africa, which is enabling the multinational corporations to decrease their own expenditures on the training of personnel of affiliates and to take into account the regional achievements in the sphere of science and technology when implementing their own scientific research and experimental design operations.

Of course, the multinational corporations, before making an investment decision, take into account not only the socioeconomic, but also the political situation in the Latin American countries. These conditions, just as the technical and economic conditions, could be examined separately. An analysis of this sort is necessary. However, if we synthesize all the economic and political factors, as a whole, with some simplification, it is now already possible to say that moderately developed peripheral capitalism has formed in the Latin American countries.

The political system of capitalism of this type affords the multinational corporations opportunities for the profitable investment of their capital, which is relatively stable in time. Moderately developed capitalism implies for multinational corporations the existence of already created and functioning political mechanisms and institutions of a legislative, executive and control nature, with which the multinational corporations can successfully arrange their relations.

In this connection the relatively increased ability of the national bourgeoisie and its bourgeois-reformist parties to weaken by "democratic" means the pointedness of social and political conflicts and the possibility, without resorting to the "services" of dictatorial regimes, to increase their commercial reputation are also attracting multinational corporations in a number of countries of Latin America. In turn, the national bourgeoisie, in giving the multinational corporations a certain guarantee of their investments, also sees in the person of multinational corporations its own political partner, that is, a force which is capable of supporting it in especially critical situations. Of course, this "alliance" is limited in time, from the point of view of the specific interests of both national and foreign capital. However, precisely the ability of the regional national bourgeoisie itself to control the sociopolitical processes occurring in present-day Latin American society is important for the multinational corporations.

Such, as a whole, are the conditions which are arousing among the multinational corporations particular interest in Latin America. In this connection the multinational corporations are constructing their investment policy with respect to the countries of the continent on the basis of the principles of reinvestment. That is why, while being in the level of profits being exported not the first region of the developing world, Latin America holds such an important place in the world expansion of multinational corporations.

The presence of multinational corporations in the countries of Latin America, in turn, is facing the former with a number of problems. The reinvestment policy of the multinational corporations, which is based on the particular attractiveness of the region, in the end, can turn into its opposite. The possibility of the alteration of the expansion of multinational corporations and of the increase of the share of affiliates is concealed behind the economic and sociopolitical attractiveness of the region. To avoid this the multinational corporations, probably, will try to weaken such a trend either, as has been said here, by shedding their international character or by the erosion of the state sector and the political superstructure of the Latin American countries. Both are possible. Both versions are of great importance both for the analysis of the relations between Latin America and the multinational corporations and for the development of models of the possible development of the region.

It is well known that on the eve, during the years of and especially after World War II in the countries of the Latin American region the nationalist policy became more and more recognized. The arsenal of laws, decrees and other enforceable enactments, institutions and means of implementing the adopted decisions with respect to foreign capital in Latin America is extensive. No other group of developing countries has such theoretical, legislative, institutional and practical resources. In Latin America (in contrast to the majority of countries of Asia and Africa) the multinational corporations have been deprived of the opportunity at their own discretion, as if in a "blank space" to impose the conditions they would like for their activity. Thus, in Latin America the multinational corporations should either destroy the entire superstructural apparatus for the regulation of national development, which has been created in the countries of the region, or, by adapting to it and adapting it, strive for its change.

At the same time it should be taken into account that the multinational corporations behave as an expansionist force in different ways, the differences in their strategy and tactics, behind which are the profound contradictions between the "centers" of capitalism, are appearing. Undoubtedly, the analysis of the strategy and tactics of multinational corporations subject to affiliation with one "center" or another is an important and independent theme. Here, during the discussion, I will note that the multinational corporations of American origin are acting in a great power manner, are basing themselves on their own goals and are little concerned about winning themselves allies in the region. They see as the latter only the economic elite and that portion of the government machinery, which is capable, in their opinion, of pursuing inflexibly "its own" policy.

The multinational corporations, which originated in Western Europe, are using different tactical methods. In Latin America they most often adapt themselves and cooperate with the state sector and state institutions for the promotion of the development and the management of the economy. In the social area the European

multinational corporations do not confine themselves to the promotion of the formation of a working class aristocracy at the affiliates (about which the multinational corporations of American origin are especially concerned), but even partially improve the conditions for other groups of working people, who are employed at their enterprises. Of course, these improvements in the total amount of expenditures are negligible and stem first of all from the competitive struggle with American multinational corporations.

For the present there are few data on the style and methods of activity of multinational corporations of Japanese origin, but from what is known it is evident that they are displaying a willingness to adapt to the specific nature of the regional situation.

It is possible to trace another peculiarity of the behavior of multinational corporations of different origin in Latin America on the basis of the models of their economic orientation. The multinational corporations of American origin are introducing in Latin America the model of a free market economy, while the West European multinational corporations are introducing the model of a social market economy. The latter is endorsed by the governmental, semigovernmental and scientific organizations of the countries of Western Europe, and first of all the FRG, France, the Netherlands and Switzerland.

In answering the third question: what are the possibilities of Latin America for opposing the multinational corporations, first of all I want to say that the socioeconomic experience of its countries is a constructive basis for this. The level of development of productive forces and the superstructural apparatus of moderately developed capitalism, which has been achieved in Latin America, is quite high. Therefore the forces "personifying" it are themselves interested in the protection of their interests from the pressure of the "centers of capitalism." In Latin America the ECLA-Prebisch reformist doctrine has been elaborated and has been put into effect with some modifications with respect to a number of countries. In accordance with it its own efforts, which are aimed at the implementation in a number of cases of radical reforms, economic cooperation among the countries of the region and radical changes of international economic relations, are the basis of the development and the opposition of the region to external interference.

If we make an inventory of the adopted laws, established institutions and actions taken with respect to foreign capital, starting with Article 27 of the 1917 Constitution of Mexico and the laws adopted in Chile, Argentina, Brazil, Cuba and other countries of the region in the 1920's and 1930's, it will turn out that Latin America is prepared for ensuring effective opposition to the multinational corporations. Of course, not all the means and institutions of the arsenal created in the region for regulating the relations with foreign capital can also be just as effective with respect to multinational corporations, in the person of which a qualitatively different international investor appears. It is necessary to develop effectively against it the existing machinery of the protection of national interests and to broaden actively the geography of foreign economic relations.

The "code of behavior of multinational corporations," which will provide a legal basis for the developing countries for the purpose of rearranging their relations with international monopolistic business, will be of considerable importance for the support of the opposition to multinational corporations. However, Prebisch,

who, while addressing the UN commission on multinational corporations, emphasized that the responsibility for the arrangement of relations with them rests first of all on the developing countries themselves, was also correct.

And in conclusion it should be noted that the problem of the formation of the political forces in the countries of Latin America and the increase of their professional preparation for the struggle against the new machinery of "collective neocolonialism" and for the rearrangement of international economic relations is, perhaps, the most difficult task of the policy of opposition to the multinational corporations.

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[Excerpts] Multinational Corporations and the "Subimperialist" Trends in Latin America, Doctor of Economic Sciences V. L. Sheynis (Institute of World Economics and International Relations)

The discussions, which are organized periodically by the editorial board of LATIN-SKAYA AMERIKA, have occupied a noticeable place in our scientific life: we intend not only to share information and the results of recent research, but, what is especially important, to discuss urgent theoretical questions. Representing in the developed discussion, of course, only one of the points of view, I will attempt to delineate clearly the problem, which today is evoking contradictory explanations and merits the most careful interpretation.

When studying major and comparatively more developed countries, which determine the character of the Latin American region, it turns out that the basic shortcomings of the "traditional" approach, so it seems to me, are connected with the underestimation, more precisely speaking, with the not entirely accurate notion of the new phenomena of modern capitalist activity. What is called the pouring of young wine into old wine skins, occurs at times: new or even the latest facts and trends seem to become the topic of discussion, while they are examined at times within such a conceptual framework, which itself needs reinterpretation, in some instances partial, in others radical. Either the new phenomena, which are at the center of discussion (in this case the stepping up and broadening of the activity of multinational corporations), or the processes developing at the same time as them, or both taken together precisely require the revision of some fixed notions.

It is possible to recall, for example, the posing of the problem at the discussion "Latin America: Foreign Policy and Economic Dependence," which was also conducted by the journal LATINSKAYA AMERIKA (in 1981). How is one to explain, some of its participants asked, the fact that against the background of the overall increase of the dependence of Latin America on highly developed capitalism the trends toward the independence of the foreign policy of many states of this region of the world are appearing more and more distinctly? Frequently the response to this question has been linked with the relative independence of the foreign policy sphere from the socioeconomic base. Undoubtedly, such an explanation is not void of sense. The foreign policy of one country or another, one government or another is formulated under the influence of a large number of factors, which can modify the very influence of socioeconomic conditions. However, it is much more essential, in my opinion, to take into account the changes, which are taking place in the socioeconomic base itself and characterize not at all the "strengthening" or "weakening" of dependence, but point to the formation of a new type of development. We cannot say

whether dependence is increasing in this case, if only because for the present we have still not learned to measure its extent and to derive resultants of processes which are dissimilar and have a different direction.

The specification of the conceptual approach, in my opinion, is also required for the interpretation of the role of multinational corporations in the socioeconomic development of Latin America in recent decades. Frequently we hypertrophy this role or, more precisely, minimize the importance of what is happening next to the multinational corporations. By concentrating attention on the multinational corporations we are, it would seem, keeping in step with the times. Modern multinational corporations are a comparatively new form of international private capitalist monopolies. Their activity is in view of everyone, the scale of their economic operations on the periphery, as in the centers of the world capitalist economy, is developing all but exponentially or, at any rate, at a pace which leads the other production complexes. The criticism with respect to such companies is spreading rapidly in the public opinion of many countries, and especially the Latin American countries. Various sociopolitical forces (let us emphasize: far from only left-wing, progressive forces), of course, are attempting to mobilize this critical potential in their favor, by attracting public attention to not only the obvious, real, but also the less demonstrable, at times artificially exaggerated negative phenomena, which are associated with the development of the activity of multinational corporations in not only the economic, but also the social sphere.

In this case I would like least of all to belittle the role of multinational corporations as such. To speak about Latin America (Asia, Africa and even Western Europe), without touching upon multinational corporations, means to look not at the 1980's and 1990's, but at the 1960's and even the 1950's. Only such an approach, in case of which the problem of multinational corporations is examined primarily or exclusively in the key of the dichotomy "dependence-independence" and only such a dichotomy, arouses objections. Moreover, the quantitative parameters, which characterize their activity, are becoming a kind of reference point and main argument in the overall assessment (negative, of course) of the socioeconomic development of Latin America. Meanwhile the problem of multinational corporations in the political economy of modern capitalism is significantly more diverse than the question of the relations of the centers of the world capitalist economy with its periphery. It is a question, in reality, as has already been noted in a number of statements, of the noticed rearrangement of monopolistic structures on a new, fundamentally higher level of their internationalization, which occurs during the clash of the two essentially different types of the consolidation of capital, about which V. I. Lenin spoke back in his times: one which is founded on the basis of "the international monopolistic alliances of capitalists, who are dividing the world," and another which is founded on the basis of "national (more correctly, state exclusive) imperialisms." This confrontation of "world capitals" was sharply delineated in the 1970's, and its outcome for the present is far from clear. It is also leaving its mark on the development of capitalism in the countries of Latin America.

The conclusion, which was heard here in the statement of L.L. Klochkovskiy, that the role of multinational corporations in all spheres of the social life of the region has increased substantially, does not raise doubts. Is it possible, however, to dwell on this without having mentioned the increase role of other nonsecondary factors (I have in mind first of all the state and the state sector), which

characterize the development of the countries of Latin America? And should not attention be focused on how not only the scale, but also the nature of the activity of the branches of multinational corporations in Latin American countries change as they penetrate more and more deeply the national economic and social structures? Is it correct to interpret them as an absolutely alien embedment? For example, is it possible to prove that foreign capital, which takes root in the economy of a comparatively developed country (Brazil, for example) and appears under its own name or under the name of a local (bought up) company, behaves fundamentally differently than national capital? If such arguments actually exist, they must be presented and discussed.

In my opinion, in a number of Latin American countries foreign capital not only has lost special privileges, a relic of the colonial age, but also has ceased to be an isolated enclave in the economy, which does not depend on the state of its other sectors. It is objectively interested in the functioning, at any rate, of those of them, which are becoming involved in the process of "modernization," the zone of which is gradually being broadened. The fact of the outflow of profits and capital still does not prove anything, since it is also characteristic of capital which is local in origin (as well as of the affiliates of multinational corporations in the developed countries). The argument heard here in one of the statements about the as if inadequate rate of accumulation in Latin America does not conform to reality: from 14-15 percent in the early 1950's it increased to 19-20 percent in the 1960's and to 22-23 percent in the late 1970's, having exceeded the corresponding indicators of the developed capitalist states.

The multinational corporations, undoubtedly, are acting as one of the agents of dependence, but, as V. P. Lukin correctly noted, for the present there are no grounds to believe that the interests of the multinational corporations will coincide with the interests of the country of origin of the capital more often than with the motives of the country of its application. The assertion that all the affiliates of multinational corporations will always be firmly linked with the interests of only the imperialist "centers," also is not indisputable. Not without reason, in particular, is criticism of the multinational corporations being heard more and more often on the part of the trade unions and small business of the developed capitalist states.

That the typology of the Latin American countries, which was proposed here and of which the degree and forms of the participation of foreign capital in their economy are becoming the leading criteria, are really universal, raises further doubt. Without the combination of these attributes with other, in our opinion, more significant ones, which characterize the level and degree of socioeconomic development, we will have a special research apparatus, which meets only special tasks, and not a socioeconomic typology which contains the basic characteristics.

And finally, it is hardly possible to agree with the assertion that the multinational corporations "have intervened in the natural course of things." I do not believe that any of us has a knowledge of the standard which separates "the natural" from "the unnatural." The depiction of the complex and at times very contradictory social processes in the region as scenes from the puppet theater seems too simplified.

I am least of all inclined to identify the interests of multinational corporations (which, however, it is hardly correct to reduce only to the self-expansion of capital) with the national interests of the countries in which their affiliates operate. However, a specific zone of coincidence of some interests or others, undoubtedly, does exist. Therefore I would like to support the raising of questions by I. D. Ivanov, who emphasized the objective and irreversible nature of the development of the activity of multinational corporations, and by Ye. A. Kosarev, who criticized the light-heartedness of the approach which confines itself only to their "exposure." Without forgetting the class nature of multinational corporations, one must not disregard that in Latin America today they are one of the "motor" forces of development.

By reducing all the diversity and complexity of the social contacts and relations between the centers and periphery of the world capitalist economy to the aspect of dependence (which, as Ye. M. Primakov correctly asserts, in the majority of instances is no longer one-sided, but two-sided, although asymmetric as well), we look at Latin America through the prism of yesterday (which at best is barely adjusted), cannot perceive the profound basic changes and what are called the "sub-imperialist" trends in the region, which are connected with them, a certain regrouping of class forces within individual countries and on the international arena. This problem is only beginning to be discussed in our scientific literature.

The multinational corporations are operating in Latin America not at all in a capitalistically "rarefied" environment; therefore it has also become the main sphere of their activity in the developing world. Capitalism in the overwhelming majority of Latin American states has already formed as the dominant mode of production. In this connection the question is posed at times as follows: 1) Has Latin American capitalism reached the monopolistic stage? 2) Is it legitimate with respect to it, although with the prefix "sub," to speak about imperialist trends? It is fundamentally important to distinguish these two interconnected, but different questions.

Modern Latin American capitalism combines in capricious correlations and symbioses the different stage elements which in Europe were characteristic of early (the era of initial accumulation), mature (which followed the industrial revolution), monopoly and state monopoly capitalism. This capitalism is moderately developed not because it has not yet "attained" the highest monopolistic forms of capital and the means of social organization, which correspond to it, but because a unique hybrid nature of technical economic and socioeconomic structures, which belong to different stages of the development of the capitalist formation, are characteristic of it.

The sector of the state economy, the regulation and redistribution of national income (and in the West this is one of the subsystems of the overall system of state monopoly capitalism), at any rate in some Latin American countries, was formed in opposition to the monopolies, primarily foreign monopolies, and under specific conditions can become a real force of control over their activity. Therefore its social orientation is frequently of an anti-imperialist and nationalistic nature. This does not rule out, however, that another monopoly, which has been included in a special way in the system of national and international capitalist relations, is forming in the person of the state and the state sector. It acts, especially on the world arena, in accordance with the laws of capitalism, which, however, have undergone some modification.

This type of monopoly has different, perhaps, even opposing trends of development. But, as a rule, precisely this type of monopoly, but with modifications which are very different in origin (the Brazilian, Argentine, Mexican, Venezuelan, Peruvian versions and others), is becoming the main means of the socioeconomic consolidation of the propertied classes and the basic form of corporate capitalist ownership, the basis of the flexible and frequently instable compromise between different social groups and strata: the state bourgeoisie and the state bureaucracy, foreign holders of stocks of the multinational corporations and the local "bourgeoisie of the affiliates" (including the management and technocratic groups), some groups of the national bourgeoisie (including the monopolistic bourgeoisie) and so on. To view the multinational corporations in isolation of these economic and social interconnections and, of course, in isolation of the contradictions and clashes with the national state monopoly, in my opinion, would mean to draw very empty abstractions from the diverse Latin American reality.

Here, perhaps, they will disagree with me: Are you not fighting windmills? No one is ignoring either the state or the state sector of the Latin American countries. I will reply: correct, they are not ignoring them, but frequently interpret them one-sidedly. Two extreme approaches are most widespread: they imagine the state either as an anti-imperialist, although inconsistent force (moreover, the opposition to one or another imperialist "center," something similar to the anti-Versaille sentiments of the German bourgeoisie of the 1920's, is taken at times as anti-imperialism), or as a simple appendage, the local political machinery of the multinational corporations. At the same time the analysis of modern Latin American reality shows us that a third version (or, at least, trend) also exists.

The state with all its political, social and economic levers of influence can become the base for the formation of a separate imperialist group, which includes local and foreign components. On the one hand, such a group is a capitalist monopoly (or even a "supermonopoly"), since it is based to a greater or smaller extent on highly concentrated capital, which functions, as a rule, in modern, highly technological sectors. At the same time this is not entirely (and not only) an ordinary capitalist monopoly, since its genesis, material base and social nature might be not entirely bourgeois, at any rate on the national level.

Monopolies of this sort, being drawn into world capitalist and interimperialist relations (if only with the rights of junior partners), are emerging in the countries of Asia, Africa and Latin America, which are at different stages of socioeconomic development. The specific nature of the Latin American versions of this type of monopolies, apparently, consists in the fact that the private capitalist and state capitalist structures, and not the precapitalist relations of "eastern despotic regimes," are represented more strongly in their economic base. Consequently the surplus value and the redistribution of the capitalistically produced product are to a greater extent the source of the resources, which they dispose of, and rent and forced labor (although it is difficult to delimit the two) are to a smaller extent.

In the process of the formation of such monopolies in the developing world the multinational corporations can play a different role: both of a catalyst and one of the motive forces of their formation and of an antagonist, in counterbalance of which a local not only anti-imperialist, but also "subimperialist" social block can be formed.

It is difficult for the present to speak about this, because, as a rule, we are dealing not with fixed forms, but with more or less outlined trends, which are appearing with a different degree of intensity in different countries of the developing world. The question of the transition of Latin American capitalism even in the most developed countries to state monopoly capitalism, for example, remains open. At the same time it is already possible today with respect to this problem to formulate some conclusions, if only in hypothetical form.

The concept "imperialism" in Marxist literature is usually used as a synonym of monopoly capitalism. Hence there arises either a guarded attitude toward the very possibility of the emergence of any imperialist structures whatsoever in the developing countries (for the existence of individual monopolies does not yet signify the monopolistic reorganization of the economy), their identification exclusively with foreign monopoly capital or the notion that such structures are possible only in those countries in which the transition to monopoly capitalism has been completed. Meanwhile the "subimperialist" trends in the developing world in general, and in Latin America in particular, are being brought about to a greater extent not by the multinational corporations, but by the national state monopolies, which are not entirely capitalist in their genesis, social configuration and sources of revenue.

The ruling class of such "subimperialist" formations may include local and foreign social components, but it pursues first of all its own goals, relying on the united monopoly, on the one hand, of the ownership of the most important means of production and other types of national wealth and on political power, on the other. As a rule, the latter is realized in antidemocratic, repressive forms.

Nevertheless regimes of this sort also need some degree of national consensus. For its formation the ruling forces frequently select one foreign policy problem or another, which is perceived painfully in the given country. Militant anti-Sovietism, external expansion or even the aggravation of the confrontation with the main centers of capitalism, during which the anti-imperialist (anti-American, anti-British and so forth) sentiments and feelings of the masses are mobilized for the purpose of strengthening the positions of the groups of the new and old national oligarchy, can become a kind of compensator, which helps to achieve if only a temporary and partial consensus and to suppress the social antagonisms within the country, for comparatively large states, which have the necessary minimum of material resources and (or) military strength. The Falkland crisis of 1982 should be looked at from this point of view.

As to the very term "subimperialism," I would propose not to link it directly with the evolution by stages of the economic system of one developing country or another. It would be advisable to "attach" it to those social structures of the developing world, which, while maintaining or even increasing a certain autonomy, distinctly display expansionist aspirations outside and aspire to the role of unique "centers of power" in world politics. They rely in this case on the monopoly ownership of important production factors or use the control over other types of public wealth. Their social base is the comparatively narrow social strata which have assimilated a sharply antidemocratic orientation. The hypertrophy of the state with an undeveloped civilian society usually accompanies these structures.

Yu. N. Korolev: Elaborate, please, in what you see the specific nature of the economic and political base of the appearance of the "subimperialist" trend.

V. L. Sheynis: The version of "subimperialism" in the developing world, so it seems to me, should not be reduced to "strong points" of the centers of world capitalism in the periphery, to "relay countries," "agents" of world imperialism, although some traits of all this, of course, can occur. In my opinion, three characteristics of these social organisms, which are outlined by the state boundaries of comparatively large and (or) "wealthy" developing countries, are most significant.

First, they play a relatively independent role in international economic and political relations. Being kind of "centers of power" in their own regions, they frequently begin to carry out expansion (most often economic, but at time also political and military) with respect to weaker neighbors, and at times, aspiring to involvement in the imperialist division of the world, are also drawn into confrontation with the main imperialist states. Second, these are class-antagonistic societies, in which a very unique type of monopoly, which applies both to the accumulated wealth (which locally cannot function capitalistically to the full extent and is frequently aimed at the world financial flows, which are regulated by the centers of imperialism) and to natural resources, territory (which are a strategic valuable, the importance of which is increasing not only in connection with the elimination of the territorial division of the world among the "old" imperialist states, but also during the struggle for the economic decolonization of the developing world), as well as to the human factor, the demographic potential and so on, is the economic base of the ruling class (or stratum). The comparatively narrow social base of the state, which forms as if the load-carrying structure of this entire socioeconomic phenomenon, is an economically dominant and politically all-pervading force--this is the third distinctive trait of "subimperialist" structures.

The state becomes not only the superstructure, but also an element of the base relations, since an important load in all the areas of social life rests on it. The question of the social base of the state, of the political organization of society is acquiring everywhere paramount, it can be said, universal importance. The political system is ceasing to be a "detail" of the social structure, taken as a whole. An adequate political superstructure over a monopolistic base, V. I. Lenin stressed, is the reaction. But in the developed capitalist states this trend is coming up against a kind of "resistance of the environment"--the democratic organizations of the working people, their ability to force the state to take into account their interests, as well as the traditions of civilian society. In the developing world in general, and in the Latin American countries in particular, such resistance was frequently inadequate, while the possibilities of social maneuvering of the ruling forces by parliamentary means were limited. Therefore brutal terrorist regimes, bloody antidemocratic upheavals and illegal violence, which was elevated to a means of government, are so frequent in this region--not only on the isthmus, but also in the most developed states of the Southern Cone.

Each of these attributes separately can be found in practice in many developing countries. The presence of all three establishes the clearly manifested trend toward the formation of a "subimperialist" structure.

"Subimperialist" Trends: The International Political Aspects, Candidate of Historical Sciences I. N. Zorina (Institute of World Economics and International Relations)

I would like to support the opinion heard in many statements that it is necessary to analyze carefully the socioeconomic environment, in which the multinational corporations operate, and the new structures which are emerging on the basis of the combination of multinational corporations and local socioeconomic and political groups. The "subimperialist" structures and trends are, in my opinion, one of the new formations of that kind in the most developed countries of Latin America, and in the developing world as a whole. I will dwell on their examination in the international political context.

The opinion expressed by one of the discussion participants that the multinational corporations have already formed on the continent from a number of Latin American countries a "second generation" of imperialism, seems to be a debatable one and one which explains hardly anything. The position of V. P. Lukin, who believes that the multinational corporations, being the objective basis and one of the factors of the formation of the situation of "asymmetric interdependence," contributed to the shift of a number of developing countries (in Latin America it is a question, first of all, of Brazil and Mexico and, perhaps, Argentina and Venezuela) to the "rear echelon" of capitalist states, seems more valid. This process, as was correctly observed, coincided with the strengthening of the ideology of "state nationalism" and is characterized not only by the increase of the role of the named states in the developing world and the world capitalist economy, but also by the strengthening of their positions on the international arena.

The term "subimperialism" with reference to individual developing countries is not entirely apt, although we are using it as a "working" term. It is possible to agree with the interpretation of this concept, which was proposed by V. L. Sheynis, having stressed his idea that one should not in case of a political economic examination of the set of phenomena, which are united by the concept "subimperialism," link them rigidly with the transfer of a country, in which such phenomena are observed, to the monopolistic stage of capitalist development. The displays of expansion in the developing world may also have another basis.

At times when analyzing world politics some authors go to the other extreme: they limit "subimperialism" exclusively to the "complicity" of one developing country or another in the geopolitical plans of imperialism. More simply speaking, they reduce it to a characterization of the role of "regional gendarmes." Without denying that displays of "subimperialist" expansion of this sort have occurred and are occurring in Latin America and the developing countries of other regions, it seems more important to us to examine such manifestations of the process of the differentiation of the developing world, as a result of which some countries, having obtained the opportunity to rely on their own more or less impressive economic, demographic and military potential, although retaining an overall "prowestern" orientation, are already beginning to aspire to a change of their status or, at any rate, to some changes of the "rules of the game" in the world capitalist community. The ruling circles of these countries, while aspiring for the present to a special role in the solution of regional problems, are already also demanding the recognition of this role during the making of general decisions, which are being worked out in the main imperialist centers.

Various approaches are encountered when analyzing the "subimperialist" trends in Latin America and in the developing world as a whole. Economists proceed mainly from the displays of economic expansion, in which the link with multinational corporations is traced quite clearly. The countries with a branched and rooted system of multinational corporations are becoming a kind of springboard, from which these monopolies penetrate the states, which are less developed and are becoming dependent no longer only on the imperialist centers, but also on the "minicenter" states in their region. Frequently the multinational corporations, by using the national signboards of Brazil, Argentina, Mexico, Venezuela and the other most developed countries of the continent, rush into neighboring Bolivia, Paraguay, Uruguay or into the Central American republics and the young states of the Caribbean Basin, exporting there capital and goods and establishing there control over the sources of raw materials and the spheres of agricultural production. As the same time, as N. A. Karogodin notes in his book "Mezhdunarodnyye korporatsii i sotsial'no-ekonomicheskiye problemy razvivayushchikhsya stran" [International Corporations and the Socio-economic Problems of the Developing Countries] (Moscow, 1981), the traditional two-unit arrangement of relations "international corporations--the exploited periphery" in a number of regions is being replaced by a three-unit arrangement, in which the most developed of the developing countries at the same time as the multinational corporations are becoming the subject of exploitation of less developed countries.

An indicator of the increasing trade expansion of the most developed Latin American countries into other states of the region is the increasing share of the three largest of them (Mexico, Brazil, Argentina) in the imports of the remaining countries--from 10.4 percent in 1972 to 15.9 percent in 1979.

The increasing export of capital from the more developed to the less developed Latin American countries is also obvious. In our discussion I. K. Sheremet'yev, who proposed to analyze more carefully the phenomenon of the "flight" of Mexican capital, has already directed attention to this. It is possible to add to this that, according to the data of experts of the UN center on multinational corporations, in 1978 more than \$1 billion were exported from Brazil to 11 countries. The same thing is also characteristic of Colombia, Venezuela and other countries. And this phenomenon--the export of capital from the more developed developing countries--is attributable not so much to the impossibility of turning financial accumulations into capital locally, in one's own country (as was the case, for example, with the flow of petrodollars from the remaining Arab countries owing to the underdevelopment of their industrial-financial sphere) as to the aggravation of the struggle of the free national capital on investment markets, which are controlled by the imperialist centers. Thus, it would be incorrect to reduce the foreign economic relations, which are becoming more complex and diversified, of the leading Latin American countries with their "neighbors" in the region only to multinational expansion.

Political scientists and experts in international affairs when analyzing the phenomenon of "subimperialism" focus attention on the authoritarian models of development and enlist for the explanation of this phenomenon conceptual elements of other conceptions--"relay countries," "satellite allies" and so forth. Here it is already considerably more difficult to trace the connection with multinational corporations, since their influence on the domestic political processes and foreign policy of the developing countries is manifested not so much directly and unambiguously. The ideas of "subimperialist" centers as the intermediaries of the neocolonialist

policy of imperialism in the modern developing world and its "strong points," which are consciously allotted the functions of a "privileged ally," have become most widespread, including in our scientific literature. These ideas were to a certain extent the result of the critical reinterpretation of the conceptions of Latin American left radical political scientists about dependent development, in which the appearance of new regional centers of power, although linked with the penetration of multinational corporations into the sociopolitical life of the Latin American countries, was equated only with the spread of the influence of North American imperialism.

These conceptions, undoubtedly, reflected certain trends which were characteristic of the 1960's and 1970's. During this period the United States, first of all in its state policy, attempted to cater to the countries with "subimperialist" aspirations, presuming that it was possible to turn them into obedient vehicles of western strategy in the developing world, and coordinating these aspirations of theirs with its own global strategic designs. It is well known that such a gamble was made on the Shah's Iran and the military regime in Brazil. However, life proved to be more complicated than these geopolitical intentions. The collapse of the Shah's regime in Iran led to the failure of the entire former strategy of the United States in the Persian Gulf region. The evolution of the Brazilian regime in the direction of domestic political liberalization, the increase of the autonomous nationalistic trend in foreign policy and rejection by the government of Brazil of "automatic allies" when determining its relations with the developing and socialist countries also influenced U.S. plans in the Latin American region. The instability of the military-political structures of "subimperialism" and the reversibility of the criteria, by which it is guided, and of domestic socioeconomic and political processes were revealed here.

It seems to me that it is still premature to speak of "subimperialisms" as a completely formed phenomenon and especially to compile a list of specific countries. Rather, it is possible to speak only of "subimperialist" trends, which appear in typologically different situations, which have a different direction and a different path of development. Nevertheless it is possible to distinguish several attributes of "subimperialist" structures. In addition to the existence of a specific economic potential, as well as the political ability to oppose one-sided dependence on the "centers" in the system of international economic and political relations, the development of the highest state bureaucracy (including the military) into the leader of the ruling forces, as well as the quite high degree of independence of the state machinery from "the traditional centers of power" can be considered a quite stable characteristic of "subimperialist regimes." In this connection the formula, which has been proposed by several left radical political scientists, of the definition of these regimes as "neofascism, which embodies the principle of a politically closed and economically open society,"¹ seems to rigid to us.

The increase of military-political power, which is used directly or indirectly in international regional relations, is also a significant manifestation of "subimperialist" trends. The military might of the rising "subimperialist" centers, as a rule, significantly exceeds the total potential of the armed forces of the

1. J. Petras, "Neo-fascism: Capital Accumulation and Class Struggle. Third World," JOURNAL OF CONTEMPORARY ASIA, Vol 10, Nos 1-2, 1980, p 127.

neighboring states, although it remains incomparable to the potential of many developed capitalist states. And still such countries as Argentina and Brazil already have their own quite developed defense industry, and it is not ruled out that in the future they will attempt to create their own nuclear forces.

The expansion of the countries with "subimperialist" trends with respect to other developing countries, be it in the economic sphere (the export of capital, technological control) or in the military-political area (military aid, arms deliveries and so on), is also being carried out on this complex basis. They are already also resorting to more modern methods of expansion, using for this purpose such forms as integration, horizontal cooperation of the "South-South" type, participating in various forms of the movement for the regional and overall unity of the developing countries within the framework of the Group of 77, the campaign for a new international economic order and so on. Of course, such expansion is being carried out usually in cooperation with the multinational corporations, which acquire in this case the opportunity to operate actively in the corresponding countries. The "division of labor" between the multinational corporations and the "subimperialist" powers in the developing world is as if occurring. But I would like to emphasize that precisely the division of functions is occurring, and not simply the attachment to the "subimperialist" powers of the role of a political "agent" or a "client" of the multinational corporations.

Yu. N. Korolev: I would like to define more exactly your understanding of the role of "subimperialist" countries in the world economy and in politics. Are they already becoming equal subjects of the capitalist international community, especially with allowance made for their aspirations to participation in the economic division of the world, or do they still remain as if relatively independent performers of the score which the multinational corporations and the main imperialist "centers" are preparing for them?

I. N. Zorina: "Subimperialism," by its own definition, is a dependent, subordinate, secondary unit of the imperialist system, which forms during the competitive struggle and on the basis of the internationalization of nonuniform components of the international capitalist economy, in which the multinational corporations play the leading role. But it would be illegitimate today to interpret "subimperialism" as the vassalage of the multinational corporations and the countries of their origin. The very relations of the new regional centers with the multinational corporations, which have taken root in them, and the imperialist centers by no means reduce to just dependence and subordination, although both dependence (especially economic and technological) and subordination are being maintained and in some respects can become stronger. At the same time opposite processes are also being observed: the capital, which is being exported from the developing countries, although with respect to its material and technical base it is significantly weaker than the capital of multinational corporations, all the same is beginning to compete with the latter and even to spread, in my opinion, within the developed countries themselves.

Of course, the countries with "subimperialist" trends are operating, as a whole, within the framework of the imperialist strategy of the West. But their relations with the United States and other developed countries do not reduce only to an intermediary role. Rather, these relations are reminiscent of a kind of political alliance, which presumes a certain independence of actions of the junior partner. The latter strives to win for itself more advantageous positions in the world

capitalist community, displays at times a great capacity for political maneuvering, and sometimes also its own pretensions with respect to the imperialist centers themselves.

The recent military conflict in the South Atlantic, in which some important problems in international relations, which are connected with the structural changes in the capitalist world itself and the increase of the multipolarity in it, came to light and were even brought into focus, provided an unexpected display of the trends of this sort. The contradictions between the developed capitalist and the Latin American countries, first of all the most developed countries, undoubtedly, found expression in the events connected with the war in the South Atlantic. The Anglo-Argentine conflict can also be regarded as a clash of one of the most developed capitalist countries of the developing world, moreover, of an obviously "prowestern" orientation, with the main imperialist centers (England, the United States, their NATO allies). Not without reason, when analyzing the international political consequences of the Falkland crisis, did many commentators and political scientists of the United States and other western countries (for example, W. Perry from the Center of Strategic and International Studies of Georgetown University) anxiously emphasize that this crisis showed the increased tendency for the formation in the developing world of such large zones, in which the West can no longer oppose the policy of the "rising powers" and which are forming their own economic and political position and are even advancing their own terms of security.

For the present, apparently, it is too early to say that the "rising powers" among the developing countries have secured for themselves any stable zones of influence. But they are already obviously aspiring to specific forms of participation in the economic and political division of the nonsocialist zone of the world. For the present the aspirations to repartition are appearing on the regional level. However, they may also appear in the interregional sphere. Of course, the "rising powers" are still weak economically and especially militarily. England during the Falkland crisis with the support of the United States and its NATO allies showed this in no uncertain terms, having demonstrated to all the developing states the readiness of the "North" for "punitive actions." In turn this action, on the one hand, gave rise to an outburst of anti-imperialist sentiments in Latin America and, on the other, increased the thirst of the ruling elite of the "rising powers" for the modernization of their military potential, rapid rearmament, the acquisition of modern weapons with allowance made for the diversification of their sources and the development of their own defense industry. It is impossible to rule out that in the future such a stepping up of the activity of the countries with "subimperialist" trends may become a new significant factor of the destabilization of the international political situation.

Multinational Corporations and Modern Social Democracy, Candidate of Historical Sciences B. S. Orlov (Institute of Scientific Information on Social Sciences)

It seems important to understand what the attitude of international social democracy is toward the questions which have been raised by the present discussion. First of all it should be taken into account that among social democrats there are very differentiated approaches to the problems connected with the activity of multinational corporations. The parties, which are active in both the industrially developed and the developing countries, treat multinational corporations differently. Along with this differences are traced between the West European social

democrats of the countries of Central, Northern and Southern Europe. Finally, in all the parties of the Socialist International there are, as a rule, rightwing and leftwing trends, which take different stands with respect to the fundamental issues of social development, including the policy with respect to multinational corporations. When analyzing the attitude of social democracy toward multinational corporations, one should not lose sight of this entire complex gamut of different approaches and trends.

It must be said that social democracy comparatively recently took up the questions connected with multinational corporations. Whereas back in 1972 a center on multinational corporations was established under the auspices of the United Nations, while the International Labor Organization concluded an agreement on a code of social behavior of multinational corporations--the so-called Tripartite Declaration--only in 1978 did the Socialist International form a commission for the study of the activity of multinational corporations and only in 1980 at the congress in Vancouver did it subject the problem of multinational corporations to a detailed examination.

How do social democrats assess the role of multinational corporations in politics and economics? Dutchman J. Tinbergen, a well-known scholar of social democratic orientation, in a report presented in 1976 to the Club of Rome emphasized that with the preservation of the present trends of world development by the end of the 1980's the multinational corporations will control more than 40 percent of the world capitalist production. E. Broadbent, leader of the Canadian social democrats, at the congress in Vancouver cited the following data: whereas in 1968 multinational corporations controlled 25 percent of the market production, by the end of the century multinational corporations may already control more than half of its potential. Consequently, many social democrats realize that the expansion of multinational corporations in subsequent years will intensify.

To what consequences will this strengthening of multinational corporations lead, how will it affect the sociopolitical climate of individual countries and regions, which are a part of the sphere of their activity? Belgian sociologist (O. Debyun), who headed the commission of the Socialist International for the study of multinational corporations, in a report at the congress in Vancouver expressed the general opinion of the commission members: "The enormous concentration of not only economic, but also sociopolitical power in the hands of the executives of multinational corporations is causing us, the democrats and socialists, the main concern." D. McDermott, leader of the Canadian trade unions, supported this point of view. In his opinion, the multinational corporations, by having an influence of the national economy, are a potential threat to the social gains of the working people and to democratic institutions.

While revealing this aspect of the activity of multinational corporations, E. Broadbent notes that the coordinating potentials of a world order and "floating" abilities enable the multinational corporations to have decisive advantages over national economic tools. If, for example, Canada attempts to increase the tax receipts from the mining of nickel and to increase employment in this sphere of production, International Nickel can expand its affiliates in other countries. As a result the multinational corporations are capable of increasing the contradictions in the sphere of the world economy and of inciting one country to come into conflict with other countries and the workers to come into conflict with their fellows in other regions of the world.

Social democrat (L. Coccioli), while supporting this point of view, stated that transfer prices are one of the most subtle tools, by means of which the multinational corporations avoid control on the part of the state in any country of the world.

What strategy of behavior with respect to the multinational corporations is the social democratic movement proposing? If we judge from the statements at Vancouver, several points of view on this account also exist. The same (L. Coccioli) believes that if the activity of multinational corporations meets the needs of the economic and social progress of the workers, such an investment policy must be stimulated, turning it into an effective tool of the economic progress and the increase of the well-being of peoples.

The commission of the Socialist International for the analysis of the activity of multinational corporations has drawn up a draft of the code of their behavior. The content of this document shows that social democracy for the present will be taking insignificant steps in this direction.

Many social democrats, as well as trade union figures of socialist international orientation are in favor of more resolute steps. In particular, (M. Oyl), leader of the Dutch social democrats, indicated the advisability of the creation in all countries of an organ for the supervision of the activity of multinational corporations, in which the trade unions should play a decisive role. While expressing a high opinion of the Charter of Demands on Multinational Corporations, which was adopted by the International Confederation of Free Trade Unions, D. McDermott believes that the coordinated actions of the trade union will become "the Achilles' heel of the multinational corporations."

When examining the question of the attitude of social democracy toward multinational corporations it is important to consider, how in general the influential parties of the Socialist International imagine the economic development of the Third World. The analysis of the materials devoted to this theme attest that the social democrats have very indefinite ideas on this issue. In particular, the opinion expressed by W. Brandt confirms this. In his opinion, the developing countries should not copy the models of development of industrial states, since uniform models, which would be suitable for all, do not exist.

At the 15th Congress of the Socialist International M. Soares, leader of the Portuguese socialists, actually repeated this idea, having stressed that "the different developing countries should select themselves such models of development, which conform best to their cultural and socioeconomic peculiarities." At the same congress French socialist M. Rocard noted that the formation of local authoritarian power should become the main condition of development of the countries of the Third World. Such a type of development should be ensured, in the opinion of Rocard, by the observance of three requirements: the decrease of foreign dependence by the reduction of imports; the priority of investments in agriculture; the pursuit of a policy which is aimed at the decentralization of the management of the economy and the stimulation of the initiative of the masses for the solution of existing socioeconomic problems (the city and the countryside) on the basis of self-government. However, in these recommendations the activity of multinational corporations in the developing countries is not regarded as a factor of paramount importance. The social democrats in this matter confine themselves only to the most general opinions. Thus, in the speech of M. Soares at the 15th Congress of the Socialist International

they were reduced to the fact that cooperation between the countries of the North and South will contribute to the solution of a broad range of international problems, including the problem of the control of multinational corporations.

It is possible to draw the conclusion that for the present the social democrats do not yet have a sufficiently precise and clear idea of what kind of policy they should pursue with respect to the expansion of the multinational corporations in the developing countries.

In this connection I would especially like to dwell on the question of how the Social Democratic Parties, which are or were in power in several leading capitalist countries, assess the activity of multinational corporations in the developing countries. The example of the FRG, the interest of which in the countries of the Third World became especially noticeable precisely during the period when the social democrats headed its government, is revealing in this sense. Many researchers (particularly American sociologist J. Petras) express the opinion that West German social democracy by its actions in Latin America is creating a political base for the expansion of West German capital. A number of other researchers, for example, West German researcher K. Meschkat, dispute this point of view. In his article,¹ which was published in the journal LINKS (which holds a more leftist position than the Social Democratic Party of Germany), it was demonstrated that there is no "direct link" between the interests of the monopolies of the FRG and the policy of the Social Democratic Party of Germany. In confirmation of his point of view Meschkat advances the following arguments. The activity of the Social Democratic Party of Germany is not observed at all in the countries, where the positions of West German capital are especially strong: if West German capital is being used for cooperation with repressive regimes, the principles, for which social democracy is fighting, are directly opposed to the customs which are connected with the activity of these regimes.

Moreover, Meschkat also resorts to other arguments. He believes that the researchers, who insist on a "direct link" between "the social democratic offensive" against the developing world and the specific interests of West German capital in specific countries of it, incorrectly indicate that the Friedrich Ebert Foundation (the Social Democratic Party of Germany) is performing the role of an "intermediary" between West German investors and the countries of the Third World (as occurred, for example, in Venezuela during the years of government of the Democratic Action Party). This case, Meschkat believes, is entirely atypical of the activity of this social democratic foundation, that in reality such actions as the defense of the Nicaraguan revolution and the attacks against the repressive regimes in the countries of the Southern Cone, are the overall global strategy of the Socialist International. The goal of this strategy, Meschkat explains further, is to show the entire world that the FRG is not an "agent" of North American imperialism, while its foreign policy differs substantially from the policy of the United States. Thereby Meschkat states the conclusion that social democracy as an intermediary between labor and capital in a number of West European states as if will also be able to act in this capacity between poor and rich countries.

Such are the two polar opinions. It seems that in both cases they are far from reality. Of course, it is impossible to completely identify the activity of

1. K. Meschkat, "Sozialistische Internationale in Lateinamerika", LINKS, No 146, 1982.

international business with the activity of the Socialist International. The Socialist International is a conglomerate of the most different parties, and on the issue of the attitude toward international capital very noticeable differences exist between them, they are especially noticeable in the positions of the social democrats of Third World countries.

But it would also be an oversimplification to place an equal sign between the policy of the Socialist International and the ruling Social Democratic Parties. And when H. Schmidt was at the helm of the West German Government, he was forced by the very logic of circumstances to make decisions which were imposed by the international interests of West German capital, while trying, it is true, in this case in the eyes of the lower levels of the party (especially the left wing of the Social Democratic Party of Germany) to look like a supporter of the basic principles of social democracy. Therefore, in my opinion, there are no grounds to speak of social democracy as an active vehicle of the interests of monopoly capital in the developing world, but at the same time it should not be forgotten that the social democrats, when in power, are drawn into the sphere of interests of the monopolistic groups and, whether or not they want this, pursue a policy which is in keeping with them.

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VOL'SKIY PONDER'S NATURE, ROLE OF LATIN AMERICAN CAPITALISM

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[Article by V. V. Vol'skiy: "Marxism and the Peculiarities of the Development of Capitalism in Latin America"]

[Excerpts] The connection of Marxism and its philosophical and political economic scientific elaborations of the problems of capitalism with modern studies of the peculiarities of the development of Latin America is fundamental and very fruitful. And this is natural: being a great revolutionary change in the social sciences, Marxism not only gave a well-reasoned answer to the most important problems, which were posed by the course of historical development, but was also always alien to any ossification of thinking, never stood still, while looking ahead, was constantly developed and creatively enriched. The most convincing evidence of this is the effectiveness of the Marxist-Leninist approach to the study of the peculiarities of Latin American capitalism at the different stages of its development. That is why during the 165th anniversary of the birth of K. Marx every objective scholar cannot but be amazed by how profound his influence on the analysis of modern reality, including Latin American reality, was.

The Problem of the Evaluation of the Level of Development and the Peculiarities of Latin American Capitalism. The Essence of the Scientific Discussion on This Issue

The development of the economy of the countries of Latin America during the post-war years led to significant changes in the socioeconomic structure of these countries. Import-replacing industrialization, the growth of heavy industry in the leading countries of Latin America, the concentration of capital and the growth of monopolies, the expansion of foreign economic relations--all this attests that Latin America is the most developed zone of the liberated countries. And this is understandable: more than a century and a half ago it freed itself from colonialism. At present Latin America accounts for about half of the industrial output of the developing world.

When they come across factors of this sort, some researchers believe that it is possible to interpret them as a new stage of the development of capitalism in the countries of Latin America. According to such a point of view, capitalism as a mode of production has become dominant in all the countries of Latin America without exception, while the most developed of them (in the estimation of some, three or four countries, in the opinion of others, five to seven countries) have achieved the intermediate level of its development. Advocates of the inclusion of a number

of countries of Latin America in the special group of "moderately developed" countries with their corresponding exclusion from among the developing countries and their typological combination with such European states as Spain, Portugal and Greece have appeared. Some authors have gone even farther and have begun to assert that a number of countries of Latin America have already entered the stage of monopoly capitalism and that the development of state monopoly capitalism is characteristic of them, as it is for the highly developed capitalist countries.

In what does the error of such an approach lie? It consists in part in the fact that individual facts of the development of Latin America are exaggerated and overestimated. Against the background of the scientific and technical revolution in the developed capitalist countries the achievements of the Latin American countries seem quite modest. Although the share of Latin America in world capitalist industrial production increased from 3.9 percent in 1938 to 5 percent in 1980, at the same time the relative level of the per capita production of products of the processing industry as compared with the average world level during this period decreased significantly in connection with the rapid growth of the population of the region.

The main thing, however, does not lie in this. Those who concentrate attention on the stages of the development of capitalism in Latin America, base themselves on the fact that capitalism is identical everywhere, that sooner or later it passes through more or less identical stages of development in all countries. This as if presumes the existence of "equal chances" for all the countries, which are taking the capitalist path, to achieve the highest level of development within the framework of the capitalist system. But here the very essence of the capitalist system is being overlooked: it always, at all levels--from the smallest enterprise to world capitalism--consists of exploiters and the exploited. Moreover, precisely the onset of the era of imperialism included the entire world without exception in this system of exploitation. "Capitalism has grown into a world system of colonial oppression and of the financial strangulation of the overwhelming majority of the population of the world by a handful of 'advanced' countries."¹

The Methodological Premises of the Approach to the Solution of the Problem of the Place of Latin America in the System of World Capitalism

In matters of the evaluation of the peculiarities of the development of Latin American capitalism the methodology of K. Marx is of permanent importance. Owing to it a well-balanced scientific theory of the laws of social development, which is fundamentally alien to any oversimplification and vulgarization in the evaluations of the regional peculiarities of the manifestation of these laws, succeeded the chaos which had reigned in the views on the history of the development of the region.

To understand that social development occurs by no means uniformly, to see how the general is manifested in the particular, to examine the set of contradictory trends and to reveal their roots--these are the mandatory requirements of Marxist methodology. "...General laws," K. Marx emphasized, "are realized in a very involved and approximate manner, only as the dominant trend."² V. I. Lenin approached this matter in a similar manner. He grouped Latin America with the oppressed, exploited, dependent countries. Many of his works, rough drafts and outlines, synopses and extracts attest to this. He included Argentina, the most developed of the Latin American countries, among "the dependent countries which, politically, are formally

independent, but in fact are enmeshed in nets of financial and diplomatic dependence."³

The entire system of exploitation of imperialism, starting with the exploitation of the worker at the enterprise and ending with the exploitation of entire nations and states, is developing in such a way as not to allow the exploited person to escape from this exploitation. V. I. Lenin considered this Marxist principle to be as stable as exploitation itself, to which only socialism can put an end, is stable. He wrote that deliverance from the bonds of finance capital "is achievable, according to the general rule, only with socialism, while under capitalism either as an exception or at the price of a number of revolutions and rebellions...."⁴

Latin America is also today a dependent, exploited and backward part of the imperialist world. The example of more than a century of development of Latin America along the path of capitalism under the conditions of dependence demonstrates to the entire world that the imperialist pyramid of oppression has been built in such a way that, as a rule, it does not enable those, who are below, to raise themselves not only to the top, but also to the middle levels of development.

Lenin's theory of imperialism leads to the conclusion that the development of capitalism in oppressing countries and oppressed countries occurs differently. The exploitation of the dependent countries by the imperialist monopolies, the constant uncompensated export of the lion's share of the product being newly created in these countries, the subordination of the economy to the dictates of the capitalist world market--all this and much else cannot be cause the distortion of the laws of the development of capitalism in the developing countries.

So that the study of the problems of modern capitalism in Latin America would be truly fruitful, it is necessary to examine not the levels of the development of some average abstract capitalism, but the concrete historical peculiarities of the development of Latin American capitalism. These peculiarities come through at all the stages of its development--from its genesis to today--in the structure, in the process of reproduction, in the social and the economic models of development, in the nature of foreign economic relations. All this is superimposed on the peculiarities of the historical development of individual countries and forms their characteristic, unique traits. In this connection the tasks of the Marxist study of the place of the countries of the region in the modern world must not be confined to the attempts at the recording to the achieved level of development or to the attempts at the ranking of these countries according to any other attribute. Only the comprehensive analysis of the importance and dynamics of all the internal and external factors without exception, only the determination of the TYPES [in bold-face] of development and its prospects can yield the desired results.

The Prediction by K. Marx of the Trends of Development of Capitalism and Lenin's Analysis of Imperialism. The Scientific Debates Over the Problem of Local (National) Monopolies and the Role of the State in Latin America. State Capitalism or State Monopoly Capitalism?

Such are a few peculiarities of the genesis and development of the private monopolies of the Latin American countries as compared with the monopolies of the imperialist countries. They are responsible for a kind of "inferiority" and the subordinate place of the Latin American monopolies in the system of world

imperialism. The strength of even the largest and most developed monopolies of the Latin American countries is incomparable to the strength of similar (operating in the same sectors) imperialist monopolies.

The relative weakness of Latin American private capital, of course, is not an obstacle for its struggle for its own "place under the sun." In this struggle Latin American capital is using all the means and methods accessible to it--from the combining of efforts through intensive concentration and economic integration to the nationalization of competing affiliates of foreign firms in "its own" countries. However, the objective limitedness of the possibilities and bounds of this struggle, the subordination of less strong capital to stronger capital, which operates under capitalism, and at times also the fear of local monopolies of severing their "allied" relations with multinational corporations in face of the threat on the part of the working masses of "their own" countries--all this has the result that the results of this struggle, no matter how reassuring they seem at times, are unable to change the status of big business of the countries of Latin America in the system of modern imperialism.

The weakness of Latin American private capital at the same time is the basic cause of another peculiarity of the model of capitalism of the Latin American type--relatively strong state capitalism. The state sector of the economy plays a very important role in practically all the countries of the region, and in some of them even a decisive role.

Some authors designate the entrepreneurial activity of Latin American states under the conditions of the strengthening of the control of the economy on the part of monopolies by the same term as a similar phenomenon in the developed capitalist countries: state monopoly capitalism. In reality this phenomenon under the conditions of dependent capitalism of the Latin American type differs substantially from the state monopoly capitalism of the imperialist states.

State monopoly capitalism in the developed capitalist countries emerges as the conclusion of the process of the monopolization of the economy, as the endowment of the state with a portion of the economic power of the monopolies in their interests, as the process of the subordination of the state to the monopolies. In Latin America the situation is to a certain extent the opposite: state capitalism appears not as a result of the strength and development of the monopolies, but as a result of the search for compensation of their weakness. Another extremely important peculiarity of state capitalism under the conditions of the domination of imperialism and the extensive development of the anti-imperialist struggle of the popular masses is the fact that state capitalism in these countries is also a result of this struggle.

The analysis of the development of state capitalism in Latin America shows with all obviousness that it is developing successfully and progressively, playing a positive and stimulating role in the economy only if it acts as a factor of the struggle against foreign capital or, what is more, is based on the anti-imperialist struggle of the masses. If, in connection with the change of the political form of the superstructure, the state sectors become a channel of the penetration of foreign capital and an object of intrigue of its allies from the camp of the local monopolies, under these conditions it undergoes, as a rule, a profound crisis, curtails its activity and undergoes denationalization and privatization. One must also not

forget that the increase of state interference in the economy of the countries of Latin America does not strengthen, but weakens the very foundations of capitalism, since it leads, in the end, to the intensification of the process of the socialization of production, which implies the undermining of the holy of holies of bourgeois society--private property, which is based on the exploitation of hired labor. Under these conditions imperialism is relying on the strengthening of the dictatorial regimes in the region, the modernization of their economic arsenal with the notorious model of Friedman, which is called upon to revive the freedom of private entrepreneurial activity and to reject the policy of state regulation of economic development.

As to the progressive forces of the Latin American countries, they are constantly fighting for the broadening and democratization of the state sector of the economy and for an anti-imperialist orientation of its activity.

On the basis of the foregoing, it seems illegitimate, and not only from a purely semantic point of view, but also to prevent the confusion of concepts, to designate state capitalism in Latin America in the same way as in the developed capitalist countries: state monopoly capitalism. At the same time it is just as inapt to call this phenomenon "dependent state monopoly capitalism" only on the basis that it is developing under the conditions of dependent capitalism. Such "innovation" knocks from the hands of the progressive forces the banner of the struggle for the state sector, for the nationalization of the property of foreign monopolies, for the increase and strengthening of the prerequisites of the transition to socialism.

The Present Peculiarities of Regional Development and Their Interpretation by Marxist-Leninist Latin American Studies. Dependence Is a Characteristic Trait of Latin American Capitalism, One of the Main Factors Determining the Nature and Results of the Socioeconomic Development of the Region

The ideas of K. Marx, F. Engels and V. I. Lenin and the method of the knowledge of social phenomena, which was developed by them, are the key to the proper understanding of the processes taking place in the modern world, and particularly in the Latin American region.

Economic dependence is a characteristic trait of the entire development of the capitalist countries of Latin America; it governs many parameters and results of the functioning of the model of Latin American capitalism. The decisive influence of foreign capital on the entire course of development of the countries of the region is traced quite clearly starting with the phase of the genesis of capitalism.

In contemporary Latin America the system-forming importance of foreign capital is widely recognized even by official circles. In the developing world Latin America appears as the main object of exploitation of international monopoly capital. In 1980 this region accounted for 72.7 percent of all the registered direct capital investments of the United States in developing countries, including more than 82 percent of its investments in the processing industry of three continents.¹³ The monopolies of Western Europe and Japan are actively penetrating the economy of this region. In 1977 Latin America accounted for 55.5 percent of all the direct capital investments of 16 highly developed capitalist countries, which were officially registered in the countries of three continents.¹³

It is extremely important here to emphasize the trends of the increase of foreign control over Latin America. During the past 20 years (1961-1980) the gross national product of Latin America increased by less than threefold, while American assets in the regions during this time increased from \$13.5 billion to \$70 billion, including the officially registered private direct capital investments--from \$8 billion to \$38 billion.¹⁴

It is natural that the forms of dependence are constantly evolving and changing under the influence of the changes in world conditions and the situation in the recipient countries themselves. In recent decades, for example, when the industrial potential of the leading countries of Latin America increased noticeably, the scientific, technical and technological control over these countries, which is carried out through the system of licenses and patents, through the control by the monopolies of the markets of equipment and technology, as well as the process of the training of highly skilled personnel, increased sharply. The share of the deductions for the use of patents and licenses in the total amount of exports of profits and interest from the countries of Latin America is steadily increasing. The dependence of the economy of the Latin American countries on the control by the monopolies of the world market through the organization of marketing has been acquiring very great importance in recent times. The appearance of the developing countries on the world capitalist market without the intercession of foreign monopolies is an improbable or, at least, an unusually difficult affair.

In recent decades the foreign financial dependence of Latin America has assumed entirely new parameters and importance. The foreign national debt of the 24 capitalist countries of Latin America increased from \$2.2 billion in 1950 and from \$6.6 billion in 1960 to \$146 billion in 1979 and \$300 billion in 1982. The official transfer of payments to foreign capital through the repayment of debts and the payment of interest on them in 1979 alone came to \$25 billion (as compared with \$2 billion in 1970), which yielded an amount which exceeded 28 percent of all the export receipts of the Latin American countries. In order to meet the constant balance of payment deficits, the countries of the region not only are striving to increase exports at any price, but have also been forced to take on newer and newer debts.

No matter what the successes in the increase of productive forces in individual countries during individual periods might be, development along the path of dependence and external exploitation imposes inevitable restrictions and, as a rule, does not afford the countries of Latin America prospects of overcoming the barrier of dependence and relative backwardness. In the macromodel of the world system of imperialism the transfer of backward and oppressed countries to the category of highly developed and oppressing countries is just as unlikely as the conversion of the proletariat into the bourgeoisie. The existence of petroleum-exporting countries does not change this situation to the same extent as the existence of a "working class aristocracy" does not change the status of the proletariat as a whole. In this respect the problems of the countries of Latin America are similar to the problems of the countries of Asia and Africa, which are faced with a dilemma: either development along the path of dependent capitalism of the Latin American type or a break with capitalism and an orientation toward socialism. The vicious circle of the interdependence of economic backwardness and the uncompensated withdrawal from the Latin American countries of a significant portion of their national product can be broken only by profound revolutionary changes of the socioeconomic structure of society.

The Crisis of Dependent Capitalist Development Is the Objective Basis of the Present Stage of the Liberation Movement in the Countries of Latin America. The Urgent Tasks of Marxist Latin American Studies

No one revealed with such force and persuasiveness the fundamental flaws and impasses of capitalism as did K. Marx. Precisely he proved that crises are not a chance phenomenon, but an immanent feature of capitalist development, which exposes its historical limits. While studying the tendency of capitalism to stagnate and decay, V. I. Lenin confirmed the conclusion of K. Marx and indicated that the era of the general crisis of capitalism also includes the upsurge of the national liberation movement.

The objective basis of the present stage of the liberation movement in the countries of Latin America is the general crisis of dependent capitalist development, which has enveloped them and is a fundamental part of the general crisis of capitalism.

In this connection it should be stressed that the law of the absolute and relative impoverishment of the working masses under capitalism, which was discovered by K. Marx, is appearing on a greater and greater scale in the region. Unemployment, the housing problem and the threat of starvation, which exist in these countries, where millions of people are forced to become declassé people of society and to live on casual earnings, clearly attest into what dependent capitalist development turns.

It is possible to assert that the majority of countries of Latin America, in developing along the path of dependent capitalism, have reached a deadlock in both the economic and the sociopolitical areas. The reserves of progressive capitalist development, which would involve at the same time some possibilities of the waging of a struggle for genuine, including economic, independence, are very small and are connected with exceptional factors which at present only individual countries have.

Of course, the anti-imperialist struggle of the dependent and exploited nations can improve their status in the system of imperialism, in much the same way as the struggle of the proletariat for its rights is capable of improving the conditions of hiring. But only a profound social revolution is capable of putting an end to both national and social oppression. The historical experience of the countries of Latin America confirms this very convincingly. Not one truly national liberation revolution can be "pure" and even can be successful, if it does not contain elements of a social revolution, if it does not meet the vital demands of those who constitute its motive force. In turn, a truly social revolution cannot but lead to complete national liberation. In Latin America, as in no other part of the world, the stronger and stronger merging of the anti-imperialist, national liberation and class struggle of the proletariat is occurring.

One of the most complicated questions is the appraisal of the specific content of the liberation processes in the countries of the region, their stages, nature, peculiarities and prospects of development. Of course, the depth and acuteness of the crisis of dependent capitalist development, just as the alternatives of the way out of it, are far from identical in the different countries of Latin America. By comparing the real peculiarities of the development of the situation in them, it would be possible to formulate several general principles: the more developed the economy and capitalist class structure are, on the one hand, and the more extensive, diverse, fundamental and, at the same time, the more camouflaged and

hard to identify the presence and domination of foreign capital are, on the other, the more profound and protracted the nature of the crisis is and the more decisive a role the class struggle acquires in the search for a way out of the crisis; on the contrary, the more developed the country and its class capitalist structure are, the more pointed and short-lived the influence of the peaks of the crisis on the popular masses and the political situation as a whole is, the more realistic the possibility of forming broad class coalitions during the struggle is and the greater the role of the anti-imperialist and general democratic struggle in the search for an alternative of development is.

When assessing the role of the basic classes of the capitalist countries of Latin America in the liberation processes one should take into account three most important circumstances:

the national bourgeoisie is experiencing the oppression and control of imperialism, it would like to rid itself of it, is seeking means of overcoming the economic impasses of dependent capitalism, but for a long time now has not been able to lead the struggle for complete national liberation owing to its inevitable association with the social, class struggle; moreover, in the countries, where the role and political organization of the working class are great, a significant portion of the bourgeoisie out of the fear of social revolution comparatively easily agrees to deals with imperialism and takes the path of imposing fascism;

in the majority of countries of the region the working class is playing more and more confidently the role of the leader and main force of the liberation struggle, but its positions at times are weakened by splits in the workers movement, which are being intensively cultivated by the agents of imperialism and the local bourgeoisie;

frequently in the Latin American countries the middle strata and the revolutionary democratic parties representing them come to the front line of the liberation struggle: they are receptive to anti-imperialist and general democratic ideals and at the same time a significant portion of them are so close to the proletariat that they are capable of coming over to its ideological positions and along with it are capable of ensuring the success and development of the revolution.

Among the external factors of the development of the situation in the countries of Latin America it is impossible not to stress the importance of two: the increase of the aggressiveness of American imperialism and the scale of the plundering of the Latin American countries is causing the increasing resistance of the peoples of the region; the increase of the might of the countries of the socialist community, the steady development of the mutually beneficial relations between them and the Latin American countries, the willingness of the former to develop these relations further--all this is aiding the struggle of the countries of the region for their economic independence, is limiting the possibilities of the direct interventions of imperialism and is creating the conditions for the self-determination and peaceful coexistence of peoples.

The celebration by the progressive scientific community of the 165th anniversary of the birth of K. Marx is directing the attention of Soviet scholars to the further increase of the quality of their research and to the penetration by social scientists specializing in international affairs of the essence of the processes

of the social development of the peoples of the world. More thorough regional and comparative typological studies of the peculiarities of the internal socioeconomic and class structures, the study of the peculiarities of the present mechanism of the domination of multinational corporations and general imperialist control over the countries of the region and the study of the objective and subjective factors of the development of the liberation struggle should be the immediate tasks of Marxist studies of Latin America, which follow from the present stage of the liberation struggle.

FOOTNOTES

1. V. I. Lenin, "Poln. sobr. soch." [Complete Works], Vol 27, p 305.
2. K. Marx and F. Engels, "Soch." [Works], Vol 25, Part 1, p 176.
3. V. I. Lenin, "Poln. sobr. soch.," Vol 27, p 383.
4. V. I. Lenin, "Poln. sobr. soch.," Vol 30, p 35.
12. Calculated according to SURVEY OF CURRENT BUSINESS, No 8, 1981, p 32.
13. OECD, "Development Co-operation. 1979 Review," Paris, 1979, pp 254-256.
14. SURVEY OF CURRENT BUSINESS, No 8, 1981, p 32.

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FAILURE OF CHILEAN ECONOMIC POLICIES UNDER PINOCHET VIEWED

Moscow LATINSKAYA AMERIKA in Russian No 9, Sep 83 pp 33-50

[Article by M. S. Nikitin and I. K. Sheremet'yev: "The Bankruptcy of the Model of Economic Development"]

[Text] There are different memorable dates. The one, which Chile is "celebrating" this year, is causing a deep sense of bitterness. A frenzied military clique seized power in the country 10 years ago, having swung all constitutional norms to the right and having trampled bourgeois democratic freedoms. Years of severe ordeals and great sacrifices set in for the Chilean people.

As time has shown, very few gained from the coup--mainly those who are directly or indirectly linked with local big business, with the foreign monopolies, whose well-being is based on the exploitation and oppression of the working masses. But discontent with the results of the management of the military junta is also increasing in the circles which previously placed their trust in the military regime, seeing in it a reliable guarantee of their interests.

The Model of a "Free Market Economy" in Action

Soon after coming to power the military junta began the "normalization" of the national economy and "the correction of the mistakes," which, as official propaganda asserted, were made first by the government of the Christian Democrats, and then of the Popular Unity. In reality it was a question of the elimination of the gains of the democratic forces, the restoration of the shaken positions of the ruling classes and the recreation in the country of a favorable climate for private capitalist activity and for the expansion of foreign capital.

The junta enlisted a group of experts of what is called the "Chicago school" in the elaboration of a strategy of the economic development of the country on the basis of the conceptions of the bourgeois economists of this school. The essence of the "new model of the economy," which was proposed by them and adopted by the regime, consisted in the following:

the private capitalist sector, which functions on the basis of "free market relations," was proclaimed the motive force of development. In this connection the demand was advanced to reduce to a minimum direct involvement of the state in economic activity, which had dominated, having placed the emphasis on indirect methods of the regulation of the processes of development;

the task was posed to "modernize" the national economy for the purpose of increasing its competitive ability on the world capitalist market. For this it was proposed to reject the policy of strict protectionism and the support of those sectors of national production, the level of the competitive ability of which does not meet the requirements of the world capitalist market;

the policy of "wide open doors" with respect to multinational corporations and the attraction to the country of foreign capital in all its forms was proclaimed.

The practical implementation of this policy led first of all to the "dismantling" of the state sector and to the transfer of many of its enterprises to private hands. During 1974-1978 294 previously nationalized industrial enterprises were returned to their former owners, in addition to this another 200 enterprises were sold by auction at reduced prices.¹

The practice of sales of state property at reduced prices became an important means of the strengthening of the positions of the local upper bourgeoisie and foreign corporations. Thus, 112 state enterprises were sold for \$290 million, while the balance sheet value of just 21 of them was estimated at \$300 million.² As a whole by 1980 the assets of state industrial firms in the amount of \$1.5 billion had been sold at reduced prices to the private sector.

Measures of various kinds on the "reorganization" and "normalization" of enterprises, which are implemented at state expense, have become an important channel of the enrichment of private businessmen in the industrial sphere. The large private textile firms of Yarur, Panal and Caupolicán, which were on the verge of bankruptcy and had been previously united into the state company Manufactura Chilena de Algodón, were first "normalized" by the state by the allocation of the necessary financial assets to them, and then were returned to private businessmen.

In 1979 only 20 companies, among which only 5 are industrial: the petroleum company ENAP [Empresa Nacional de Petróleo], the coal company Empresa Nacional del Carbon, the metallurgical company (CAP), (IANSÁ) (the production of sugar) and Empresa Nacional de Explosivos (the production of explosives), remained under the control of the state financial corporation CORFO [Corporación de Fomento de la Producción].³ The military junta also declared its intention to sell to private individuals a significant portion of the assets of (CAP) and to carry out the "reorganization" of ENAP, in order to attract private capital to them.

While assigning an auxiliary role to the state sector, the military regime at the same time adopted the policy of extensive "cooperation" with foreign capital. Almost simultaneously with the decision on the withdrawal of Chile from the Andes Pact, which restricted the freedom of actions of the junta with respect to foreign capital, in 1974 the law "On the Conditions of Foreign Investments" was passed, in conformity with which all restrictions on the export from the country of profits and the repatriation of foreign capital were lifted. At the same time new financial institutions were set up and a number of measures on the assurance of the influx of foreign investments were implemented. For example, the (Administration for the Promotion of the Expansion of Exports) (PROCHILE) jointly with the United Nations Industrial Development Organization (UNIDO) established the specialized (Bank for the Drafting of Plans).⁴

What are called "forums of investors," which are held in Chile for the purposes of the establishment of direct contacts with foreign firms, the presentation to them of the appropriate economic information and their acquaintance with the "investment climate," became another method of attracting foreign capital. Thus, at the regular "forum" held in October 1982 50 projects, the implementation of which would ensure the influx into the country of \$600 million in the form of direct foreign capital investments and \$250 million in the form of loan capital, were proposed to foreign companies. As a result of the implementation of such projects many national private and state enterprises passed over to the complete ownership of foreign companies. At the same time the junta is also encouraging the creation of mixed enterprises with the participation of national capital. In these cases the foreign firms are striving to take into their hands control over the managerial staff of the enterprises, are monopolizing the deliveries of equipment, materials and spare parts for them and are sending their own technical advisers.

During 1974-1981 the (Committee on Foreign Capital Investments) approved 716 projects in the total amount of \$6.4 billion.⁵ Foreign monopolies participated in the implementation of 636 projects, investing \$1.3 billion in them. The capital investments of U.S. monopolies, which operate in the mining industry, account for about 80 percent of this amount; among them one should single out such giants as Exxon Minerals Corporation, Anaconda Copper Mining, Noranda Mines, Utah de Chile and Getty Mining Incorporated, Saint Joe Minerals. Although formally the mines for the most part remain state property, the American monopolies have already recovered for themselves important positions in the production of copper. The management of the mines and their working are being put into the hands of multinational corporations, the control of the latter over the marketing of copper, the delivery of spare parts, equipment and so on is increasing.

A number of large copper mines have been bought up by U.S. monopoly capital. Exxon Minerals Corporation acquired at a reduced price (\$107 million) the La Disputada mine.⁶ Another large deposit-- Pelambrez --was bought for \$20 million by Anaconda Copper Mining.⁸ Foreign investments are also being made in the Andacollo, Ceburada Blanca and other copper mines.

Table 1

Foreign Companies Which Are the Main Investors of Capital in the Mining Industry of Chile (1974-1981)⁷

Companies	Investor country	Value of approved investments, millions of dollars
Anacondo Chilena Inc.	United States	1500
Utah de Chile and Getty Mining Inc. . . .	United States	1500
Exxon Mineral Corp.	United States	1200
Falconbridge, Superior Oil, (Intire) Mines	Canada and United States	500
Rio Algom Limited	Canada	500
Saint Joe Minerals.	United States	100
Chevron Exploration Corporation of Chile.	United States	70

Foreign, first of all American, capital is also being injected intensively in the Chilean petroleum industry, which for many decades was the property of the state. The weakening of the state monopoly in this sector is connected, in particular, with the granting to foreign investors of the right to the prospecting and working of petroleum deposits in the country. The state petroleum corporation ENAP concluded an agreement with Arco Petroleos Chile (an affiliate of the American Atlantic Richfield) and Amerada Hess Petroleos Chile (an affiliate of the American Amerada Hess Corporation) on the conducting of petroleum exploration operations on an area of 9 million hectares on the continental shelf of the southern part of the country.

In the total amount of foreign capital investments the processing industry accounts for a relatively small portion. During 1974-1981 the (Committee on Foreign Capital Investments) approved 221 projects for this group of sectors in the amount of \$417 million (6.4 percent of the total amount of foreign investments).⁹ The limit- edness of the investments in this sphere is explained for the most part by the fact that the demand for finished industrial products in the country is being met by their importation, the volume of which in 1981 came to \$1.8 billion, or more than 25 percent of the value of the total output of the national processing industry.¹⁰ Multinational corporations are displaying the greatest interest in the export sectors (the pulp and paper, wood processing and fishing industries). Thus, during 1974-1981 the foreign investments in the fishing industry, which were approved by the junta, came to \$81 million, of them \$47 million have already been invested in individual projects.¹¹

The credit and banking business has become a profitable sphere of the application of foreign capital. Whereas in 1974 only 1 foreign bank operated in Chile, in 1980 there were already 19 of them.

With the support of foreign monopolies the local financial and economic groups, or, as they are still called, the "family clans," are also strengthening their positions. They are buying up state enterprises at low prices, are obtaining easy credits and loans for the "improvement of the economic conditions" of these enterprises, are making speculative transactions on the money exchange and are making use of credits which are being granted by consortiums of foreign private banks and by other credit centers of imperialism.

First of all the largest local financial oligarchical groups--the Alessandris, the Mattes, the Edwards, the Yarurs and the Saids--are restoring their positions and strengthening their influence. At the same time new clans--for example, the Cruzat-Larrains and the Vials--have formed in the process of the concentration of production and the centralization of capital. The "family clans" are deriving the greatest advantages from the model of "economic liberalism. In 1978 three groups alone (the Cruzat-Larrains, the Vials and the Mattes) controlled 46 percent of the assets of 250 large private enterprises.

The Cruzat-Larrain group controls many companies of the pulp and paper, wood processing, fishing, petroleum and gas industries (Forestal Company, Forestal Arauco, Celulosa Constitucion and others). The Vial group specializes in the mining of minerals, moreover, it controls 80 percent of the production of products of the electronics industry, is playing an important role in the production of food products and so on.¹² The Matte group controls the largest companies in the cement, textile, chemical and pulp and paper sectors. The Edwards clan has seized key

positions in the glassmaking, ceramics and food sectors, while the (Anjelini) group has done so in the area of the fishing and wood processing industries. The last one jointly with American and Japanese companies is taking part in the exploration for mineral resources in Antarctica; the Angelini clan has invested \$5 million in this project.

The trend toward the closer and closer association of local financial oligarchical groups with foreign capital is appearing distinctly. The Morgan Finance Bank, which is controlled by the Morgan family and the Vial clan, has been established in the country. At the newly created investment bank, City Corporation and Santiago, U.S. investors and the Cruzat-Larrain group play the dominant role.

Foreign credits are being granted first of all to the local financial oligarchy. During 1976-1978 foreign banks allocated for the purposes of the industrial development of the country \$1.1 billion, of them 70 enterprises, which are controlled by the largest financial and economic groups, received \$511 million (46 percent).¹³ The latter also hold the dominant positions on the local loan capital market. In 1979 four groups (the Cruzat-Larrain, Vial, Luksik and Yarur) controlled 45 percent of all the bank loans in the country. The Cruzat-Larrain group is closely connected with Banco de Santiago, the Vial group--Banco de Chile, the Yarur group--Banco Credito e Inversiones, the Luksik group--Banco Sud Americano. The Matte financial and economic group founded its own Banco Industrial y de Comercio Exterior. In addition to banking operations the mentioned groups are using extensively in their own interests other forms of financial activity--insurance, transactions on the monetary exchange and so on.

The freedom of the private loan market has become a characteristic trait of the banking system of Chile under the regime of the military junta, which is creating the most favorable conditions for the enrichment of the "family clans." One of the basic sources of accumulation for the latter is the high interest rates on bank loans, which are set by them arbitrarily; during the second half of the 1970's they reached 40-50 percent.¹⁴

The actual elimination of the state sector, the "open door" policy with respect to foreign capital and the reliance on "family clans" directly affected the Chilean economy, having plunged it into a deep recession.

The Economic Model in a State of Crisis

The bankruptcy of the strategy of economic development, which was chosen by the military junta, has appeared especially clearly in recent years. The attempts to ensure stable economic growth on the basis of the utmost boosting of exports proved to be futile due to the decline of demand in the countries of developed capitalism and their establishment of customs barriers for the purpose of protecting their own markets from goods from the developing countries. On the other hand, by pursuing an "open door" policy with respect to foreign capital and having rejected steps on the protection of national production, Chile lost the ability to oppose the trade and economic expansion of multinational corporations.

The extensive use of foreign credits in the matter of the capitalist modernization of the economy also played a negative role: the foreign debt of the country leaped sharply, and even the traditional guardians of the junta began to treat much more reservedly its requests for further financial support.

The financial and economic dependence of Chile on the imperialist powers, which increased under the military regime, appeared vividly already in the middle of the 1970's, when under the influence of the economic crisis in the capitalist world the gross national product of Chile declined by nearly 13 percent. During the subsequent 4-5 years the growth rate sped up slightly, but precisely these "favorable" years were a prelude of a new serious upheaval. During 1980-1981 the growth rate of the gross national product slowed again, while in 1982 a sharp decline of production occurred--according to a preliminary estimate, by 13 percent.

An acute crisis situation formed in the processing industry, which is oriented mainly toward the domestic market. During 1978-1981 production went through a period of stagnation: the volume of output exceeded the 1974 level by only 2 percent. According to preliminary data, in early 1982 this indicator has decreased by 15 percent.¹⁵

A decline of the level of production is being observed first of all in the sectors which produce consumer items. Not only small businessmen, but also many large enterprises, which produce textile and leather products, furniture, footwear and so on, are experiencing difficulties in the marketing of products. Thus, in the late 1970's the production capacities in the textile industry were utilized at the level of only 40-50 percent, while imports of textile items increased from \$72 million in 1974 to \$238 million in 1979. The newspaper MERCURIO--the mouthpiece of the Chilean upper bourgeoisie--stated that in 1977 25 percent of the domestic demand was met by imports of textile items, in 1980--35 percent, while in subsequent years this level will increase to 60 percent.¹⁶

The group of problems, with which the processing industry of Chile is confronted today, is not confined to the difficulties of selling products. The lack of financial resources of enterprises (first of all small and medium-sized) as a result of the sharp increase by local and foreign banks of interest rates on credits, as well as the decrease of state allocations for production needs have also become a most urgent problem.

As to large companies, they have the opportunity to use foreign loan capital. Thus, in the later 1970's only 30 percent of the investments in industry were made by means of enterprises' own assets and 13 percent were made by means of the resources of the local loan market, while foreign credits accounted for 57 percent. However, the sharp increase of the cost of the latter and the making of the terms of their granting stricter also created serious difficulties for large enterprises.

Table 2

Dynamics of Industrial Production in Chile, percent (1975 = 100 percent)¹⁷

Sectors	1974	1976	1977	1978	1979	1980	1981	1982 (January)
Processing industry.	139	105	116	142	134	142	142	105
Mining industry.	107	114	116	113	118	124	129	123

The underutilization of production capacities and a shortened work week, the bankruptcy of enterprises and mass firings of workers--such is the picture of the state

of the processing industry of Chile at the turn of the 1980's. In 1977 228 companies went bankrupt in the country, in 1978--321, in 1979--368, in 1980--427, in 1981--about 500, while in 1982--800 companies.¹⁸ It is noteworthy that among the last ones there were such giants as Compania Frutera Chilena S.A. (the processing and export of fruits) and Manufactura Chilena de Algodon (textile products).

In the crisis situation the ground also began to shake under the feet of the main buttress of the military regime--the local financial oligarchy, which controls the banking system of the country. The Chilean press called the collapse of the largest private Banco de Chile, which is controlled by the Vial clan, a genuine "financial earthquake" of 1982.¹⁹ The bankruptcy of Banco de Chile weakened noticeably the positions of this financial and economic group.

A wave of bankruptcies also swept over other banks of the country. In early 1983 the military junta declared the forced liquidation of three insolvent banks (including the bank of the well-known (Siga) financial group) and the establishment of state control over the operations of seven other banks, the foreign debt of which came to \$7.4 billion.²⁰

During the period of government of the junta the agriculture of the country also underwent "reorganization." An end was put to the cooperative movement and to the process of providing the extremely needy peasantry with land and agricultural machinery. Large landowners, the rural and the commercial middleman bourgeoisie were restored to their rights. The junta is pursuing a policy of the expansion of the export production of agricultural products to the detriment of the vital interests of the population. During 1976-1980 the areas sown with the 14 main food crops (mainly grain crops) decreased annually by approximately 17 percent, while during 1981 they decreased by another 13 percent.²¹ In 1982 the production of wheat in the country decreased by 6 percent, corn--16 percent, sugar beets--46 percent, rape--26 percent.²² Export production also suffered due to unfavorable marketing conditions on the foreign market. The implementation of the "economic model," which was imposed on the Chilean people, led to misalignments in the foreign trade balance and to the sharp deterioration of the currency and financial position of Chile, which was complicated in addition by the increasing outlays of currency for imports, including materiel and equipment.²³ The deficit of the balance of foreign trade of the country in 1981 came to \$2.4 billion as compared with \$69 million in 1977.

Table 3

Foreign Trade Turnover of Chile, millions of dollars²⁴

Items	1977	1978	1979	1980	1981
Imports.	2259	3002	4218	5821	6364
Exports.	2190	2408	3763	4818	3931
Balance.	-69	-594	-455	-1003	-2433

The foreign debt of the country is increasing rapidly. During 1974-1982 more than \$24 billion were obtained from foreign sources. The amount of debt at present comes to \$18 billion.²⁵ The per capita debt (about \$1,500) exceeds the average indicator for the region (\$775) by twofold.

The financial tribute, which is being paid by Chile to the imperialist powers and their credit centers, is enormous. Thus, this year the amount of the payments should come to \$3.4 billion, including \$1.6 billion in the form of interest on credits and \$1.8 billion on the repayment of the basic debt.

In early 1983, following negotiations with U.S. banking circles, a group of advisers representing 12 foreign creditor banks was formed in Chile; the working out of a new schedule of payment of a portion of the debt in the amount of \$3.4 billion, the date of repayment of which expires in 1983, is a part of the task of the group. In the middle of 1982 the junta received from the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD) new credit in the amount of \$980 million.

The burden of the financial and economic crisis rested first of all on the shoulders of the Chilean working people. The decline in industrial production and construction, the closing of enterprises and the changeover of many of them to a shortened work week are leading to a further increase of unemployment. In the early 1980's at least one-quarter of the able-bodied population did not have work.²⁶

The trend toward the decrease of the number of workplaces in the sphere of physical production has become a characteristic trait of the Chilean "model." The army of "unnecessary" people continued to increase even during the years of the temporary recovery of the economic situation in the country (1977-1979). In 1979 the number of people employed in the processing industry had decreased as compared with 1969 by 19 percent (from 609,000 to 496,000), in construction--by 46 percent (from 235,000 to 126,000) and agriculture--by 15 percent (from 593,000 to 504,000).

The crisis of the model of a "free market economy" is directly affecting the vital interests of not only the Chilean proletariat, but also the middle urban strata--the largest portion of the population of the country. In addition to unemployment, inflation and the increase of prices for basic necessities, which is reducing to naught the increments to the nominal wage, which the working people achieve from time to time as a result of the intense struggle for their vital interests, have become a real scourge. Thus, during the period from 1975 to 1982 the consumer goods price index increased by nearly 22-fold.²⁷ In 1982 the level of the real monetary income of the working people came to less than 82 percent of the 1970 level. The inequality in the distribution of the national income and, consequently, in the living conditions of different classes and strata of society continued to intensify. Thus, in 1980 nine-tenths of the population of the country received only two-fifths of the total income, while the privileged strata (one-tenth of the population) accounted for three-fifths of the income.²⁸

Under the conditions of the intensifying crisis the economic policy of the Chilean military junta became a target for pointed criticism on the part of various strata of society, including prominent bourgeois public political figures and many big businessmen.

The opposition to the regime and the sociopolitical policy being pursued by it on the part of church groups is increasing, which received confirmation in the final document of the Chilean Episcopal conference held in December 1982. In the indicated document the demand is advanced to respect human dignity and "to return to full democracy."

The trade union organizations of the country are conducting a more and more active campaign against the Pinochet regime and for the vital interests of the working people. In February 1983 more than 1,000 Chilean trade union figures sent Pinochet an open letter with the demand to conduct in the country a referendum on the question of the formation of a transitional military-civilian government. In the letter it was stressed that the responsibility for the irreversible economic, political and social crisis, which the country is experiencing, rests exclusively with the government.

Finally, M. Friedman himself in face of reality was forced to admit that the "model" is not working under the conditions of Chile, since "it is designed for a democratic country."

Yielding to the pressure of specific sociopolitical forces and business circles, the military leadership was forced to make some "corrections" in the economic policy being pursued by it, which, however, do not affect the foundations of the "market economy." In particular, the replacement of several high-ranking people in the government, who are responsible for the implementation of economic policy, was carried out. In 1982 Minister of Finance S. de Castro, one of the most zealous supporters of the doctrine of M. Friedman, who until recently defended its "purity," in spite of the intensification of the crisis in the country, was removed from his position.

The government made the decision to decrease the interest rates on bank credits and to devalue sharply the national currency (its exchange rate was decreased from 39 pesos per dollar to 67 pesos).

The "model" of the economic development of Chile, which was developed with the participation of western experts, not only did not ensure the flourishing of the national economy, but also did enormous harm to the country, having thrown it far back from the gains of socioeconomic development, which had been achieved under the National Unity government. The attempts of the ruling junta to maneuver by means of the making of insignificant adjustments in the policy being pursued by it are not yielding an impact. The discontent with the military regime is developing into a confrontation between the progressive forces of the country and the Pinochet camarilla.

General Secretary of the Communist Party of Chile Luis Corvalan convincingly showed the antipopular essence of the socioeconomic policy of the junta. "The economic model of Pinochet and the 'Chicago group,'" he declared, "are alien to and at variance with the interests of Chile.... The Pinochet model is aimed at the increase of the dependence on multinational corporations, on the transfer of decisions on the most important questions of the country to alien hands. Its introduction presumes the elimination of a significant portion of the production potential of Chile, which was created over many decades, and the establishment of a semicolonial status, which envisages only the development of several sectors, which have what is called 'a comparable advantage' and are in reality the least dynamic. Here the economy is acquiring a more and more one-sided nature, the structural crisis is intensifying."²⁹

In early 1983 the Communist Party, which operates underground, disseminated in the capital of the country a document, in which it is indicated that the collapse of the regime of the military junta "is a matter of time." Having noted that the

activeness of the popular masses is increasing and that the groups, which yesterday supported the junta, today are openly expressing disagreement with its policy, the Communist Party appealed to the opposition forces to direct efforts at the overthrow of the dictatorial regime as the first step on the path to the restoration of democracy in the country. As the second step the Communist Party proposes to create a democratic, national and popular government, which will restore civil rights and freedoms in the country.³⁰

The process of the destabilization of the regime is growing stronger with each day. The failure of the widely proclaimed Chilean economic "model," beyond a doubt, will hasten the fall of the antipopular junta.

FOOTNOTES

1. MERCURIO, 3 May 1979.
2. HOY, 23 August 1979.
3. MERCURIO, 3 May 1979.
4. The bank, in particular, sends out design documents to potential investors of capital from the industrially developed states--the United States, England, the FRG, Italy, Japan and others, as well as from neighboring Latin American countries--Argentina, Brazil, Venezuela and Colombia.
5. "Chile for Investors," Santiago de Chile, 1982, p 31.
6. CHILE-AMERICA, Nos 41-42, 1978, p 48.
7. "Mining in Chile," Santiago de Chile, 1982, p 7.
8. QUARTERLY ECONOMIC REVIEW OF CHILE, 4th quarter, 1979, p 14.
9. "Chile for Investors," p 31.
10. "Industry in Chile," Santiago de Chile, 1982, p 5.
11. "Fishing in Chile," Santiago de Chile, 1982, p 8.
12. CUADERNOS POLITICOS, No 22, 1979, p 86.
13. BOLETIN DE EXTERIOR. PARTIDO COMUNISTA DE CHILE, Vol 1, No 40, 1980, p 49.
14. CHILE-AMERICA, Nos 62-63, 1980, p 64.
15. MONTHLY BULLETIN OF STATISTICS, Vol XXXVI, No 9, 1982, pp 22-23.
16. MERCURIO, 27 March 1980.
17. MONTHLY BULLETIN OF STATISTICS, Vol XXXVI, No 9, 1982, pp 22-23.
18. CHILE-AMERICA, Nos 74-75, 1981, p 21; PRAVDA, 21 May 1983.

19. LATIN AMERICA WEEKLY REPORT, No 32, 1982, p 7.
20. GRANMA, 22 January 1983.
21. BANK OF LONDON AND SOUTH AMERICA REVIEW, Vol 16, No 1/82, 1982, p 29.
22. BANK OF LONDON AND SOUTH AMERICA REVIEW, Vol 16, No 4/82, 1982, p 161.
23. During 1975-1979 alone \$2.7 billion were spent on weapons purchases: 3 submarines, more than 70 warplanes, armored personnel carriers, artillery pieces, antitank and anti-aircraft missiles, as well as other materiel, ammunition and equipment were purchased.
24. INTERNATIONAL FINANCIAL STATISTICS, Vol 35, No 10, 1982, pp 118-119.
25. PRAVDA, 21 May 1983.
26. CHILE-AMERICA, Nos 74-75, 1981, p 33; LATIN AMERICA WEEKLY REPORT, No 23, 1982, p 9.
27. INTERNATIONAL FINANCIAL STATISTICS, Vol 35, No 12, 1982, p 118.
28. CHILE-AMERICA, Nos 72-73, 1981, p 77.
29. L. Corvalan, "Nas zhдут novyye bitvy. Izbrannyye stat'i i rechi" [New Battles Await US. Selected Articles and Speeches], Moscow, 1978, p 482.
30. See LATINSKAYA AMERIKA, No 4, 1983, p 45.

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BOOK SEES U.S. POLICY MORE FLEXIBLE, 'DIFFERENTIATED' SINCE 1970's

Moscow LATINSKAYA AMERIKA in Russian No 9, Sep 83 pp 133-135

[Review by V. I. Morozov of book "Evolyutsiya latinoamerikanskoy politiki SShA" [The Evolution of U.S. Latin American Policy] by A. N. Glinkin, B. F. Martynov and P. P. Yakovlev, "Nauka", Moscow, 1982, 256 pages]

[Text] The authors of the book under review set themselves the task to study the evolution of the Latin American policy of Washington in the 1970's and early 1980's. While noting that the present stage of U.S. policy in the Western Hemisphere is characterized by a number of peculiarities as compared with preceding periods, they single out the main thing: "...in the 1970's the constant rejection by Washington of a rigid uniform policy in its relations with Latin America and the firm establishment of an individualized approach to the countries of the region with allowance made for the specific nature of their status in the developing world and on the international arena as a whole occurred" (p 6).

By the mid-1970's the relations between the United States and Latin America had been strained noticeably. The increase of the economic potential of the countries of the continent, the strengthening of the positions of local capital, the increase of nationalistic sentiments and the rise of democratic trends prompted a number of Latin American governments to speak out for the revision of the nature of inter-American relations, which were permeated by the spirit of anticommunism and the Cold War, in favor of the adoption of new democratic principles, which could contribute to the increase of the role of Latin America in world affairs and to the organization of mutually advantageous and equal cooperation with all states, including the socialist states. The broadening of interstate cooperation and the development of integration processes became an important direction of the foreign policy activity of the Latin American countries. The aspiration of Latin Americans for the rearrangement of the system of inter-American relations in both the trade and economic and the political spheres inevitably led to a clash with the United States.

In attempting to adapt itself to the new realities, the ruling elite of the United States is maneuvering and is taking practical steps which are aimed at smoothing over the conflicts, for the purpose of maintaining close ties with Latin America. Here the main emphasis, as the authors correctly note, was placed on the "selective approach." The goal of such a policy was "to create a split in the movement for the unity of actions of the Latin American countries, which has gained strength, and to turn back the process of the strengthening of regional cooperation" (p 64).

The sections of the book, in which the counterrevolutionary role of American monopolies and multinational corporations as a whole in the life of the Latin American countries is shown on the basis of specific facts, are of considerable interest. The authors establish a link between the expansion of multinational corporations in Latin America and the policy of official Washington, which, by creating the optimum conditions for their activity, especially in the sphere of energy and raw material resources, is striving to use their weight and influence for interference in the affairs of individual states (p 44).

In the book under review it is shown that the formulation of the Latin American policy of Washington is being carried out in the struggle between the supporters of a "strict" policy, on the one hand, and liberal reformist methods, on the other, an analysis of U.S. Latin American policy under Presidents Nixon, Carter and Reagan is given.

Under Nixon Secretary of State H. Kissinger made an attempt to begin "a new dialogue" with the Latin American countries. The authors justly point out that by its statements on a readiness for compromises Washington attempted to neutralize the aspiration of the countries of the continent for the diversification of foreign political relations (p 65). The concept of "interdependence," which was promoted intensively by Kissinger and the basic idea of which reduced to the fact that due to the increased mutual economic dependence the states should not resort to independent steps aimed at the changing of their status, also served this goal.

The Carter Administration made its own adjustments in the Latin American policy. In the opinion of the authors, they were due to the aspiration of the Democrats to make the thesis of "the defense of human rights" one of the main components of the ideological platform of their foreign policy, as well as to turn the developing world, first of all Latin America, into an ally of imperialism on the world arena (p 117). On this basis the Carter Government made an attempt to depart from open anticommunism, to lend its Latin American policy a more attractive propaganda form and to shift from confrontation with the countries of the region to cooperation, which was oriented toward confrontation with the socialist world. When analyzing the experience of the development of inter-American relations during this period, the authors stress that the implementation by Washington of the indicated policy proceeded in the following basic directions: the concentration of political efforts in that part of the region, in which a surge of the liberation movement was observed; the improvement of the relations with countries of bourgeois democracy; the search for methods and means, which were called upon to separate the states of the region; the combination of the tactics of the "destabilization" of unsuitable regimes with the policy of their "reconciliation" (pp 116-117).

The Carter Administration devoted particular attention to the Caribbean Basin and Central America. The victory of the Sandanista revolution in July 1979 and the intensification of the struggle of the peoples of El Salvador and Guatemala against the dictatorial regimes revealed the inability of the United States to control the political situation in this region. In Washington the differences on how American interests in Latin America should be protected intensified again, which in the end led to the making of the policy more rigid (p 127).

The coming to power of the Reagan Administration was accompanied by an increase of the aggressiveness of American imperialism. The White House, having chosen a

policy of confrontation with world socialism and the liberation movement, adopted the thesis "of international terrorism." The authors carefully analyze the report "The New Inter-American Policy for the 1980's," which was, in essence, the basis for the Latin American strategy of the Republican administration. The main emphasis, as is noted in the book, was placed on methods of force. The interventionist nature of U.S. policy at the present stage is concealed by almost nothing (p 169). In contrast to the preceding administration the Reagan Government is openly adhering to a policy of alliance with antipopular dictatorial regimes, the putting together of new blocs in the region, the buildup of the U.S. military presence and interference in the affairs of such states as Nicaragua, Grenada, El Salvador, Honduras and others.

At the same time, as the authors note, an aspiration to establish closer relations with the major states of the region is also visible in Reagan's strategy. Summit diplomacy and appeals for the strengthening of "Pan-American solidarity" are being actively used for these purposes. On the basis of the examples of Brazil, Argentina, Venezuela and Mexico it is shown how American diplomacy is attempting to use the increased prestige of these states in its own interests.

An important merit of the book is the fact that the authors, in essence, were among the first to attempt to analyze the situation which is forming in Latin America as a result of the Anglo-Argentine conflict in the South Atlantic due to the Falkland (Malvinas) Islands (April-June 1982).

The book is not without individual shortcomings. The authors practically do not touch upon the questions connected with the activization of Latin American diplomacy at the United Nations, the rostrum of which is being used more and more often by the countries of the region for defending their interests, which is leading to a confrontation with the United States and is forcing Washington to take a more flexible position. The inclination of the governments of individual countries of the region for compromises with the United States, which facilitates the implementation of the "selective approach," should, apparently, have been reflected. It would also have been desirable to show the evolution of American foreign policy propaganda, to which U.S. ruling circles are attaching great importance in their activity on the international arena.

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BOOK VIEWS DIFFERING POLITICAL SYSTEMS OF LATIN AMERICAN STATES

Moscow LATINSKAYA AMERIKA in Russian No 9, Sep 83 pp 137-138

[Review by M. M. Solntseva of book "Politicheskiye sistemy stran Latinskoy Ameriki" [Political Systems of the Countries of Latin America] by A. G. Orlov, "Mezhdunarodnyye otnosheniya", Moscow, 1982, 192 pages]

[Text] In the monograph of A. G. Orlov a comprehensive analysis of the political systems of the Latin American countries is given, the nature of the interaction between individual elements of the political system and their functional purpose are shown. In the book it is emphasized that "the socioeconomic structures of these countries, as before, bear traces of colonial and feudal survivals. This circumstance is having a decisive influence on the goals, functioning and structural peculiarities of the political systems..." (p 9).

A. G. Orlov gives a description of the liberal democratic, autocratic and totalitarian political systems, correctly noting that this classification can change subject to the specific circumstances--changes of the sociopolitical status and subjective factors.

The analysis of the basic trends in the constitutional development of the modern Latin American states is of considerable interest. One of them is connected with the elimination of laws, which are democratic in content, and their replacement with openly reactionary authoritarian constitutions (the 1969 Constitution of Brazil, the 1980 Constitution of the military junta in Chile). A second one finds expression in the increasing gap between the principles and theses, which are proclaimed in the prevailing constitutions, and their real implementation in practice.

Special sections of the monograph are devoted to the study of the influence of the army and the Catholic Church on the political systems, the legal and actual status of these institutions is shown in them.

The examination of such an important component of the political system as the party takes up much space in the monograph. It is well known that in many countries of Latin America they do not play a decisive role in the mechanism of the exercise of state power. However, their influence is increasing in the countries with a bourgeois democratic regime. A. G. Orlov devotes specific attention to the unmasking of bourgeois and ultraleft conceptions of the role and importance of political parties.

In the book it is noted that the form of the state, and especially the form of government in the countries of Latin America have much that is specific. For the designation of the form of government the author uses the term the "superpresidential" republic, stressing its distinction from the traditional bourgeois democratic form which has formed in a number of states of Western Europe and the United States. The sections of the work, which are devoted to the analysis of the role of the government and parliament in the countries of Latin America, are of definite interest. In examining the system of state organs, the author justly notes that Latin America belongs to those regions in which the sharp increase of executive power by the decrease and restriction of the role of legislative organs--the congresses--is a pronounced, prevailing trend. In the work it is stressed that the relative weakness and political ineffectiveness of the legislative and judicial organs of power and their strong direct or indirect dependence on the government are contributing to the effective functioning of the presidential form of government in Latin America (p 107). Let us note that this conclusion is correct with respect to not all the countries: in Brazil, Venezuela and Bolivia the situation is somewhat different.

On the basis of the study of the functioning of state institutions and the forms of the exercise of power the author was able to show that the state itself as the most important component of the political system is in a state of profound crisis, that the capitalist means of state development and the fundamental dependence on American imperialism have put the Latin American countries in an impossible position, the way out of which lies in revolutionary democratic transformations of the existing political system.

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DUVALIER REGIME IN HAITI CALLED 'ULTRARIGHT' FORM OF 'BLACK POWER'

Moscow LATINSKAYA AMERIKA in Russian No 10, Oct 83 pp 31-47

[Article by A. K. Stetsenko: "Haiti: 25 Years Under the Oppression of the Dictatorship"]

[Text] After the overthrow of the tyrannical regimes in the neighboring Caribbean countries--Batista in Cuba, Trujillo in the Dominican Republic and Somoza in Nicaragua--the dictatorship of Duvalier in Haiti, which has been ruling now for more than a quarter of a century, continues to be one of the most reactionary in Latin America. The throne of Duvalier is stained with the blood of thousands and thousands of champions of freedom. More than 50,000 patriots have perished at the hands of executioners.¹ It is impossible to determine the number of "missing," to say nothing of the fact that of the 5 million residents 1.5 million have been forced to live in emigration.²

Under the conditions of the lack of a mass base of the regime the Haitian clique is keeping power by means of unrestrained terror, which is being combined with methods of sociopolitical demagoguery. For many years the so-called theory of negritude, which was elevated to the rank of the state ideology and policy during the period of government of the founder of the present dynasty, Francois Duvalier (1957-1971), served as the main means of ideological influence on the masses.

Having formed at one time primarily in the Antillean and African colonies of France as one of the forms of manifestation of the nationalism of the oppressed nation, the doctrine of negritude, which is based on the idea of the ethnic and cultural historical community of the black race, has now begun to aspire to the unification under its banner of the entire Negro population of Africa, America and the Antilles Islands within the framework of the political movement of "black power." On the basis of the assumption of the racial and national exclusiveness of the peoples of negroid origin, the absolutization of their psychology, world outlook and culture this doctrine views Marxism as a particularly "western teaching," while advancing a peculiar "original means" of development, which ostensibly differs radically from the European means and which comes close to the separatist conception of "the historical confrontation and fatal incompatibility of the black and white worlds."

Two "models" of negritude--the ultraright and left extremist--are prevalent in the Antillean region. In contrast to its ultraleft, petty bourgeois version, which was most prevalent in the French Antilles during the colonial period, one of the most reactionary, diehard trends in the ideology of "black racism" has taken root in

Haiti. Closely connected with the class interests of the landowning oligarchy, with the archaic, semifeudal structure of society and tenacious precapitalist relations, this trend of negritude achieved its peak during the years of government of F. Duvalier. It became a synonym of regression, of what is called "development without development," within the framework of which the most ossified traditions of the past are being preserved, while the country is in a state of glaring backwardness, spiritual and economic stagnation and dependence on imperialism.

It is symptomatic that official propaganda, which was actively supported by imperialist circles of the West, attempted to depict the coming to power in April 1971 of the heir of the dictatorial clan, Jean-Claude Duvalier, as the beginning of "a new era of liberalization," a sharp turn toward the principles of "western Christian civilization," having hastily declared that an end would be put to negritude in the country.

What lies behind the new mask of the dictatorship, behind the "liberal" facade of the political regime of Haiti, which has undergone a kind of evolution from Duvalierism to Jean-Claudism? Is it a question of one degree or another of continuity of the former policy or, on the contrary, of a trend toward a break with the fixed traditions of the past, toward an unqualified departure from the ideological positions of negritude?

This conception as one of the structural components of the ideological system of Haiti stems first of all from the peculiarities of the racial composition of the population, 99 percent of which is made up of descendants of African Negro slaves, who were brought to the island in the 16th-18th centuries by Spanish and French colonizers. Officially it is customary to believe that 90 percent of the Haitians are Negroes, while the remaining 10 percent are mulattoes.³ In any event owing to the almost complete absence of a white population, which was partially wiped out or left the island at the turn between the 18th and 19th centuries during the victorious revolution of the Negro slaves of Santo Domingo (1791-1803), Haitian negritude was aimed not so much against the whites as against the mulattoes.

After the expulsion of the French colonizers and the adoption in 1805 of the first constitution, which solemnly proclaimed as Negroes "all Haitians, regardless of the color of their skin," new opposition in the person of the traditional mulatto upper crust from among what is called "the old feudal lords," who did not want to share privileges and landed property with the "new class" of Negro feudal lords, took the place of the white Frenchmen. During the first decades of existence of independent Haiti these racial class antagonisms, which on the surface relegated class conflicts to the background, found expression in the division of the island into two separate, independent states: the "Negro empire" of King H. Christophe in the north and the "mulatto republic" of A. Petion in the south, which were finally reunited only in 1822. The subsequent history of Haiti is the history of the constant rivalry of the Negro and mulatto ruling clique in the struggle for political power and hegemony in economic life.

From the times of the American occupation of Haiti (1915-1934) up to 1956, except for the short period of government of the Negro D. Estime (1946-1950), all the presidents, who were elected on the direct instructions of the United States, were mulattoes, since Washington needed not only "educated people," but also close contact with the representatives of the "mulatto commercial bourgeoisie,"⁴ which had opened the doors wide to foreign capital.

Unlike the majority of his predecessors, Francois Duvalier was a Negro. Having come to power in September 1957, he justified, at last, the hopes of the advocates of negritude, who dreamed of the day when a statesman with a face the color of "ebony" would become president. Having taken "historical revenge" and having put an end to the domination of the mulatto oligarchy, F. Duvalier proclaimed himself "the supreme leader of the Haitian revolution," the "defender" of the interests of the broad Negro masses. He declared that henceforth all the problems of Negroes can be solved only on the basis of negritude. F. Duvalier presented his views, which are permeated with the unrestrained promotion of black racism, in the pamphlet "Les pensees de Duvalier" (with respect to form the book of quotations of Mao Zedong served as a model for it), in the collection "Elements d'une doctrine" and in "The Selected Works of Doctor Duvalier", which were disseminated among the inhabitants by force. His conception of negritude, which was the ideological basis of the political regime, is presented in detail in the work "Le probleme des classes a travers l'histoire d'Haiti," which became a kind of "catechism of the black revolution." Having declared the "racial" factor as the motive force of the development of Haiti, F. Duvalier interpreted the history of the country as a secular, irreconcilable struggle between Negroes and mulattoes. Differentiating Haitian society according to the racial attribute, F. Duvalier distinguished three basic categories of the population--"the mulatto bourgeoisie," "the middle class" and "the people." The last two categories were so closely connected that in essence, in the opinion of Duvalier, it could be a question of only two classes. Flaunting the slogan of "black power," which played the main role in the overthrow of the mulatto elite and the suppression of the main centers of political opposition on both the right and the left, F. Duvalier resolutely appealed to the "class of Negroes" to unite against the "reactionary mulatto bourgeoisie" in the name of what was called "the Duvalierist revolution."⁵

Thus, under F. Duvalier skin color truly "became ideological problem number one."⁶ Making extensive use of social demagoguery and kindling racial hatred between Negroes and mulattoes, he resorted to the most primitive, second-rate promotion of black racism. While appealing to the Negro masses, F. Duvalier declared significantly: "They hate me because I, like you, am black. They refuse to cooperate with me, for I have sworn to make you happy. Today the Presidential Palace is wide open for you. Come and exclaim: 'Long live Papa Doc!'" Possessed by megalomania and shamelessly suggesting to the Haitians that such a person as he "is born once in a century," F. Duvalier declared himself to be some "Haitian messiah," "the spiritual leader of the black world," who had ostensibly been called upon to wash from Negroes the "ancient shame" of colonial slavery and to show "the greatness of the black race." "I am the new Haiti," Duvalier pontificated, "to destroy me means to destroy Haiti itself. I live for it, while it exists by me. I am the Haitian banner, united and indivisible. I am democracy."⁸ Appealing to the racial feelings of the Negro population, F. Duvalier depicted his dictatorship as ostensibly corresponding to "the ancient traditions of ancestors" and "the Negro kind of soul."

In this sense the mystical negritude of F. Duvalier is closely connected with the traditional voodoo cult, which is widespread in Haiti and which is a unique mixture of ancient African religions and Catholic cults. Having been preserved under the conditions of the backward, semifeudal structure of Haitian society and the strong vitality of patriarchal communal, precapitalist forms of consciousness, which extend into the deep formations of a pre-Christian, mythological type of philosophy, the voodoo religious cult served as one of the most important components of the

spiritual life of the broad popular masses throughout Haitian history. This cult, which has an obviously political coloring, played as a whole a positive role in the liberation struggle against the French colonizers, having united hundreds of thousands of black slaves from different African tribes and having inspired and backed their hopes for long-expected freedom.

However, having been adopted by the dictator F. Duvalier, it became a tool of the spiritual oppression of the people, a means of ideological influence on the broad Negro masses and of keeping them in fear and submission. Having declared Catholicism--the official state religion of Haiti--the ideological bulwark of "the mulatto bourgeoisie" and having opposed to it the traditional voodoo cult as the religion of the Negro population, F. Duvalier attempted to neutralize the influence of the Catholic Church, which had repeatedly spoke out against his dictatorial ways. During the campaign begun in November 1960 on the order of F. Duvalier 50 priests of French origin headed by the Archbishop of Port-au-Prince, (Porrier), who had repeatedly condemned some illegal actions of the government or others, were deported from the country.⁹

Having put an end to political opposition in the person of the Catholic Church and having taken advantage of the influence acquired by him when he was a rural physician among the illiterate and superstitious Haitian peasants (hence, too, the origin of his famous nickname "Papa Doc"), F. Duvalier solemnly declared himself the "chosen one" of the African gods, having prompted his accomplices to create a legend about "the great priest of voodoo." In May 1963 after his "election as president for life" a new hymn, which began with the words: "Papa Doc forever...", was introduced in the country. "I have 4 million young black children," F. Duvalier liked to say. "When they ask me who my mother is, I answer them: 'The Virgin Mary,' while when they ask me who my father is, I can only reply: 'I am.'"¹⁰

By personally performing magic cults in the luxurious Presidential Palace (where "the great priest of voodoo" did not avoid also performing the role of executioner in "the torture chamber," which was cynically called by the dictator "the cosmetic room"), F. Duvalier attempted to instill fear in his political opponents. By spreading the myth of his "omniscience" and "omnipotence," he attempted to suggest to those present that he knew about all the conspiracies being contemplated. But it must be said that during the 14 years of being in power the dictator survived 12 conspiracies and 4 assassination attempts. It is not surprising that even the assassination of J. Kennedy, with whom F. Duvalier had strained relations (the U.S. President was not adverse to replacing the offensive maniacal tyrant with a more acceptable and "respectable" figure), was ascribed by him to the revenge of African gods.

As is known, a corps, which was created to counterbalance the army, of many thousands of armed detachments of Tontons Macoute (in translation from the Creole dialect it means "signs," "previsions," "werewolves"), who were recruited from among the unemployed, as well as declassé elements or simply criminals, served as the main support of the Duvalierist regime. "The 'rank and file' Tontons Macoutes did not receive monetary remuneration, a revolver is simply issued to them, and they themselves seek means of existence by robbery, threats and coercion. Their power is practically unlimited."¹¹ In attempting to neutralize the army as a political force and to destroy the constitutional spirit arising in it, F. Duvalier carried out a radical purge among the officers, having done away with the mulattoes and

having placed loyal Tontons Macoutes in all command positions. Soon he also "macoutized" the state machinery.

By means of bloody terror F. Duvalier was able to suppress all the centers of political opposition on both the right and the left. The Haitian communists, who were forced to conduct the struggle under the incredibly difficult conditions of the underground, were also subjected to mass repressions. The promulgation of the draconic law of 28 April 1969, which is in effect to this day and which banned the activity of communists under the threat of capital punishment, was the ominous response of the government to the creation in January 1969 of the United Party of Haitian Communists. Justifying the policy of terror, F. Duvalier declared frankly: "Everything done against me is done against the entire nation. My opponents should be destroyed, since they are the enemies of the nation and the young Haitian democracy."¹²

The notorious "Negro democracy" of F. Duvalier in reality was nonsensical mystification, a means of cheap social and political demagoguery, one of the most reactionary and primitive versions of the ideology of "black racism." Not without reason did the nickname "pocket Hitler," which well-known Haitian communist poet Rene Depestre gave to the dictator, become so widespread among the people. The idea of the "racial," "biological" solidarity of black peoples by no means prevented him from massacres of his own "brothers by race," for it is well known that the murderers of Haitian patriots, who worked on the order of "the black dictator," were of the same skin color as their victims.

In January 1971, shortly before his death, F. Duvalier began to worry in good time about transferring power to his son, 19-year-old Jean-Claude Duvalier, having forced the obedient parliament to approve an amendment to the constitution, which lowered the age qualification for a presidential candidate from 40 to 20 years of age.

Having proclaimed himself "the heir of the political philosophy, doctrine and revolution"¹³ of his father, J.-C. Duvalier, having come to power in April 1971, hastened to spread the myth of the "liberalization" and "democratization" of the regime, which has entered the modern political lexicon under the name "Jean-Claudism." To the request to define the content of this term J.-C. Duvalier replied extremely concisely. "Jean-Claudism" is "revised, corrected and supplemented Duvalierism."¹⁴

Realizing that the times, when it was possible to run the country by relying exclusively on bloody terror, had passed, the ruling clique for the purpose of reinforcing the regime, which had become rotten to the core and had compromised itself, agreed to a number of half-hearted, superficial measures within the framework of what was called "liberalization." "I would like to appear before the court of history as a man who commenced irreversible democracy in Haiti.... I am creating the wind of democracy, and let no one imagine that he can blow harder," J.-C. Duvalier solemnly declared in September 1979 on the occasion of the celebration of the 22d anniversary of the "Duvalierist revolution in power."¹⁵

The government of J.-C. Duvalier began the making of the promised "democratic" transformations with the reorganization of the repressive machinery. The corps of many thousands of Tontons Macoutes, who were hated by the people, was pushed into the background. A "security corps," which consists of armed detachments of what are called "leopards," whose functions include the protection of the president, the

suppression of political opposition and the combatting of communist activity, was created in place of it with the assistance of experienced Pentagon instructors. The salary of servicemen was increased for winning prestige in the army, where political rumblings had always been observed.

A week after coming to power J.-C. Duvalier invited to return to the country everyone who did not intend to join the political opposition. However, the patriotic forces regarded his statement as an extremely dubious step, for this measure was not extended to either the communists or the other opponents of Duvalierism, while the latter, as is known, make up the overwhelming majority of Haitian exiles.

In late 1976 J.-C. Duvalier released several tens of political prisoners. But no one knows how many of them were left to languish in prison torture chambers, for, as French communist G. Fournial writes, 1 in 10 dies from tortures during the first 5 days of confinement, while 80 percent of those who remain die during the next 2 years as a result of chronic malnutrition, tortures and diseases.¹⁶

The so-called law on "freedom of the press," which was adopted soon after J.-C. Duvalier came to power and permitted the publication of a number of newspapers and weeklys, in practice was also reduced to naught. Their staff members are under vigilant supervision and are exposed to constant persecutions for any "dissent," any critical hint meant for the regime. A typical case occurred, for example, with journalist G. Raymond from the weekly PETIT SAMEDI SOIR, who was ignobly killed by accomplices of J.-C. Duvalier for a report on the strike of workers of the cement industry, which was violently suppressed in May 1976.¹⁷

In demonstration of the "constitutional" character of the existing regime J.-C. Duvalier twice (in 1973 and 1979) held elections of the National Assembly of Haiti--a unicameral parliament. Its role, however, as before reduces to the listening to speeches of the chief of state and the mechanical endorsement of his actions. During the 1979 elections, which took place under the conditions of a mass democratic upsurge, the Haitian communists (the Unified Party of Haitian Communists), continuing the struggle under the conditions of the underground, for the first time advanced the slogan: "Use the elections, give a fight!" But having resorted to a carefully worked out set of forgeries and machinations and to the arrest of a number of leaders, who had advanced their candidacy, J.-C. Duvalier ensured victory to the official representatives and the supporters of the existing regime.¹⁸

A new phenomenon in the political life of Haiti of recent years is the formation in early 1980 of the Christian Democratic Party headed by Sylvio Claude and the Social Christian Party of Haiti, which is led by capital lawyer Gregoire Eugene. The former, which has the support of some portion of the working class, from the very start expressed its readiness for cooperation with all political forces which oppose the antipopular dictatorship. Therefore on 13 October 1980 S. Claude along with several supporters (21 people in all) were arrested on the charge of attempting to overthrow the government. They were freed only in September 1982 on the occasion of the celebration of the 25th anniversary of the Duvalier clan.¹⁹ As for the Social Christian Party, it immediately set itself apart, having declared that communism ostensibly "cannot be an alternative to the existing regime."²⁰

In attempting to split the opposition and to stop the path to the unity of democratic forces, the army with the active participation of the police twice--on 28 November 1980 and 12 November 1981--brought down on the country a wave of bloody repressions, which are reminiscent of the darkest times of Duvalierist terror. All political parties and trade union organizations were dissolved. Hundreds of people, among whom were the leaders of the Unified Party of Haitian Communists, the Christian Democratic Party, progressive journalists, priests and scholars, were subjected to mass arrests and tortures; tens of them, including the leader of the Social Christian Party, G. Eugene, were exiled from the country.

As the Unified Party of Haitian Communists stressed at its first congress (November 1978), "total terror, which has been elevated to a principle of state policy, remains the essence of the government of the Duvalierist dictatorship even today, when the bosses of this regime... are declaring that its modernization and liberalization are occurring."²¹ The myth of "liberalization" had the goal not only to deflect the wave of the democratic movement and to allay public opinion of the country, but also to strengthen the regime, having secured comprehensive financial and political support on the part of imperialist monopolies, first of all North American monopolies, which had become very firmly rooted in the economy of Haiti since the times of the military occupation of the island. In this sense the playing with democracy of J.-C. Duvalier is inspiring the United States much more than the toga of "the fighter against the Yankee oppressors," in which the late dictator from time to time liked to dress up.

J.-C. Duvalier has repeated more than once: "My father carried out a political revolution, while I will carry out an economic one."²² In practice the matter did not go farther than desperate attempts of the bourgeois landowning oligarchy to get out of the protracted period of socioeconomic crisis. Moreover, not at all by means of the mobilization of domestic resources and the radical reorganization of obsolete traditional structures, but by the maximum attraction of foreign capital, which obtained the opportunity to plunder the national wealth of the country without hindrance. Having become a decisive factor for the dictatorial regime, the notorious financial "aid" of Haiti on the part of the imperialist powers, which divided the country into kinds of economic enclaves and spheres of influence, came in 1980 to \$137 million, which exceeded half of the annual budget; in the next year, 1981, it increased by another 20 percent, having reached \$158 million.²³ In Haiti, R. Depestre emphasized back in 1978, the process of the development of "backwardness..., economic, political and cultural recolonization,"²⁴ in which American, French, Canadian and West German companies are taking part, actively competing against each other, is occurring.

The regime of J.-C. Duvalier, or what is called "Jean-Claudism," is nothing other than the further economic evolution of the political model, which was established in his day by F. Duvalier and had been adapted to the present needs of the ruling circles. As well-known Haitian sociologist Gerard Pierre-Charles writes, "the classical basis of the Duvalierist regime has become much broader, and J.-C. Duvalier, who represents the entire oligarchy and all the strata of Duvalierism, which have grown stronger and merged with the bourgeoisie, no longer needs such an unrestrained promotion of negritude, to which his father resorted."²⁵

Whereas the call for the domination of the Negro oligarchy and for the redistribution of the national wealth at the expense of the mulatto feudal bourgeois clique

was characteristic of F. Duvalier, the tendency toward the convergence and consolidation of both groups of the ruling class in the person of the landowning oligarchy and the rising bourgeoisie has dominated during the years of government of J.-C. Duvalier. The marriage of J.-C. Duvalier to the daughter of Ernest Bennett, one of the influential representatives of the mulatto bourgeoisie, confirmed very convincingly the willingness of the Negro elite to share power with the mulatto clique, which has strengthened appreciably its economic and political positions, which had been undermined by the militant negritude of his fanatic father.

The Jean-Claudist dictatorial regime is relying on two schools of political thought of the "elite" of society: the extreme right, conservative wing in the person of "orthodox" or "true" Duvalierists (who are aptly called "dinosaurs" by the people)--zealous supporters of reactionary negritude, which was the basis for the political model of F. Duvalier; and the more liberal group, which reflects the interests of the local commercial and industrial bourgeoisie, which is closely connected with the imperialist monopolies, as well as with the growing stratum of young technocrats, who are speaking out for the "modernization" by the upper crust of the archaic, traditional structures, for the preservation of strong presidential power, which is camouflaged, however, by an "updated," "liberal" facade, so as not to frighten away foreign investors. The president himself with his closest accomplices has assumed the role of a "superclass, supernational arbiter" between the two rival groups.

However, no matter what role the dictator attempts to play, in essence his task continues to remain unchanged--with the aid of some superficial changes or others, which have been flavored with a fair share of demagoguery, he is striving to broaden somewhat the social base of the regime. Nevertheless this in no way affects the status of the broad strata of the population of the country--cruel exploitation and bloody government terror continue to be their lot. Therefore it is obvious that only the unity of the popular masses and the overthrow of the dictatorial regime, which has completely discredited itself, can lead to the socioeconomic changes which the country needs so urgently.

FOOTNOTES

1. See PROBLEMY MIRA I SOTSIALIZMA, No 2, 1982, p 78.
2. See NOVOYE VREMYA, No 6, 1982, p 15.
3. S. I. Bruk, "Naseleniye mira. Etnodemograficheskiy spravochnik" [The Population of the World. An Ethnodemographic Handbook], Moscow, 1981, p 729.
4. J. G. Leyburn, "The Haitian People," New York, 1945, p 123.
5. L. Denis and Dr. Duvalier, "Le probleme des classes a travers l'histoire d'Haiti," Port-au-Prince, 1958, pp 85-89.
6. S. A. Gonionskiy, "Gaityanskaya tragediya" [The Haitian Tragedy], Moscow, 1974, p 96.
7. J. P. Gingras, "Duvalier, Caribbean Cyclone. The History of Haiti," New York, 1967, p 131.

8. DEMOCRATIE NOUVELLE, No 4, 1965, p 44.
9. J. Pierre-Charles, "Radiografia de una dictadura. Haiti bajo el regimen del doctor Duvalier," Mexico City, 1969, p 81.
10. Quoted from S. A. Gonionskiy, op. cit., p 113.
11. M. Martynov, "Gaiti" [Haiti], Moscow, 1969, p 38.
12. DEMOCRATIE NOUVELLE, No 4, 1965, p 44.
13. POLITICA INTERNACIONAL, No 142, 1971, pp 9-10.
14. THE WASHINGTON POST, 10 September 1978, p 26.
15. LE MONDE, 22 April 1980, p 5.
16. See FRANCE NOUVELLE, 20 November 1978, p 14.
17. ALAI, Nos 44-45, 1978, p 348.
18. LATINSKAYA AMERIKA, No 9, 1981, pp 74-75.
19. GRANMA, 24 September 1982.
20. LATINSKAYA AMERIKA, No 9, 1981, p 74.
21. FRANCE NOUVELLE, 20 November 1978, p 14.
22. NUEVA SOCIEDAD, No 52, 1981, p 25.
23. LATINSKAYA AMERIKA, No 9, 1981, p 73.
24. LE MONDE DIPLOMATIQUE, No 285, December 1977, p 20.
25. ALAI, Nos 44-45, 1978, p 347.

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ARGENTINA: A YEAR AFTER THE FALKLAND CONFLICT

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[Article by V. M. Antyasov: "Argentina: A Year After the Falkland Conflict"]

[Text] Today, a year after the heat of events around the small islands in the Atlantic Ocean, which the English call the Falkland Islands and the Argentines call the Malvinas Islands, the latest round of the Anglo-Argentine conflict can be represented as a "small" war, which in scale and international repercussions does not compare either with the war in Vietnam or with the war in the Near East. However, for Argentina it meant much. And it is not only the point that the conflict over the Falkland Islands in its political importance went beyond the framework, which was assigned to it by the military government for saving its authority, and that the leadership of the country began to make moves uncharacteristic of it in foreign and domestic policy, but also that it acquired a clearly expressed anti-imperialist ring, created a situation, which caused serious shifts in the frame of mind of Argentines and led to an entirely new political situation in the country.

The defeat exposed with unprecedented force the drama of contemporary Argentine society. It is well known that economic factors played far from the last role in the coming of military men to power in 1976 and the fall of the government of Isabel Peron. The military men promised to curb inflation, to halt the decline of the real wage, not to allow an increase of unemployment and to improve the economy. However, the economic steps of the military administration, which pursued an "open door" policy for foreign capital, did not remove the country from the grip of the crisis, but, on the contrary, led to the cutback of some sectors of national production. The reliance on the increase of the competitive ability of Argentine products and its expansion on the world market by the attraction of foreign capital (with the exception of the agricultural industry) did not justify itself. In many ways "thanks" to such a "model" of development the foreign debt of Argentina increased from \$9 billion (for 1976) to \$43 billion a present. The rate of inflation increased sharply. In February 1983 the exchange rate of the Argentine peso fell to an unprecedentedly low level and came to 50,000 pesos per dollar.

Of course, the steps taken by the European countries and the United States on the economic blockade of Argentina to a considerable extent affected the economic situation. Even after its official lifting, international banks continued to "punish" the self-willed country: in the fall of 1982 not one foreign bank agreed to open credit for Argentina.

Indeed, the war and its consequences did not affect identically the social strata of Argentine society. For the upper bourgeoisie Argentina continues to be a country of fashionable resorts and yacht clubs. The sale of luxury items, for example, cars of expensive makes, is increasing. The business crisis of 1982, which was connected with the "pre-Falkland" economic policy of the military administration and with the maneuvers of the imperialist forces during and after the Falkland crisis, affected the status of the working masses like a heavy burden. The standard of living declined in 1982 by one-half as compared with the preceding year, the number of unemployed, according to official data, came to 13 percent in February 1982, while in September it came already to 18.5 percent. According to some unofficial sources, this indicator is even higher: one Argentine in four does not have work. As a result the discontent of the working masses with the economic policy of the government was raised to the limit and developed into a number of large strikes, the most massive of which was the nationwide strike in December 1982.

Under the conditions of the buildup of the political crisis differences also came to light in the topmost echelon of power. In August 1982 the command of the Air Force and Navy withdrew from the "political leadership." The crisis among them is occurring in an atmosphere of mutual recriminations and charges of responsibility for the military failure. In the spring of 1983 the military government was forced to agree even to the arrest of General Galtieri and to begin the organization of an investigation of the causes which led the country to defeat. The Galtieri Government is being accused of a number of miscalculations when planning the operation on the occupation of the islands, but, first of all, for the incorrect assessment of the scale of the responses of England, as well as the mistaken confidence, at least, in the neutrality of Washington. After resigning General Galtieri spoke about his "overwhelming" by the reaction of the United States. For after the quite cool relations with the Carter Administration, which involved even the discontinuance of the activity of the American military mission in Argentina, the Reagan Government made a large number of steps aimed at the strengthening of relations with the Argentine military junta. In turn the latter provided military specialists for combatting "subversive forces" in Central America.

It is natural that the lessons of defeat called into question the orientation of the foreign policy of Argentina toward the United States. The traditional Argentine-American conflicts rose to the surface and were sharply intensified. The conflict over the Falkland Islands at the same time also complicated the relations of Argentina with the West European countries which supported England. On the other hand, the very logic of the development of events led to the realization of the importance for Argentina of contacts with the Latin American countries and with the nonaligned states, which supported Argentina. Under these conditions the problem of the place of the country on the international arena became, of course, a question of paramount importance for Argentine political circles. There is no unanimity here among the leadership of Argentina. A portion of the military men are attempting to restore the former relations with Western Europe, as well as with the United States, even the slogan of the "de-Malvinization" of foreign policy has been advanced. Another portion is taking into account the strength of anti-imperialist sentiments in the country, as well as a number of factors of a regional order, which are bringing the interests of Argentina closer to the foreign policy positions of the other Latin American countries.

During the crisis of "political leadership," apparently, the aim at the foreign policy reorientation of the country is becoming firmly established (of course, with a large number of reservations and complications). Argentina voted for the election of Nicaragua to the UN Security Council and for granting to Puerto Rico of the right to self-determination and signed a joint document with Mexico and Venezuela on the principles of noninterference in the affairs of Central America. It has stepped up its involvement in the nonaligned movement and is striving for the diversification of economic relations, including by their broadening with the socialist countries, the mutual advantage of which has become especially obvious in light of the sanctions of the countries of the West, which supported England during the period of crisis.

Speaking in April of this year in Buenos Aires at the fifth meeting of the ministers of the member countries of the Group of 77, which unites 125 countries of Africa, Asia and Latin America, the Argentine President even blamed the monopolies and large bank organizations for the violation of international norms in relations with the developing countries and the use by them of means of blackmail and pressure. It should be noted, however, that in spite of these new trends in Argentine policy, the government of the country is treating with extreme caution the steps which could serve the further embodiment of the new Latin American protest to the dictation of the United States, to which the Falkland events gave rise: it is not supporting the proposals on the reorganization of obsolete inter-American organizations and is striving to dissociate itself from the most constructive of them.

There are many reasons for such a policy. Apparently, by keeping to an extremely cautious line with respect to the strengthening of the unity of the Latin American countries, the upper echelon of power is striving to preserve the possibilities for the renewal of the dialogue begun by Reagan with the previous military government. And this is not by chance. In face of the need to hold free elections in the country and to transfer power to a civilian government the military men are taking a number of steps on the strengthening of their own positions and the positions of their supporters. The latest financial obligations of Argentina, which will pass on to the "legacy" of the future civilian government, can also be grouped with these steps. For the solution of the problem of the foreign debt the military government agreed to the demands imposed on it by a pool of foreign banks and the International Monetary Fund. From the former Argentina received credit at 11 percent per annum, while from the latter it received credit on the basis of the granting of guarantees through the gold reserve of the country, which is stored at Fort Knox (the United States).

At the same time the military administration is striving to consign to oblivion an urgent political problem of the country--the 30,000 "missing" people during the period of 1975-1982. During the meetings held with representatives of the political parties President Bignone insisted that during the elections, as well as subsequently the question of the "missing" had not arisen. Although reference to the "red danger" is not contained in the special document on this issue, which was published at the end of April by the military junta, other arguments in defense of the thesis of the struggle against "subversive elements," which justify the government policy of repressions by "official" necessity, are cited.

It is also possible to a considerable extent to link with the activity of the military men the stepping up of the activity of the rightwing parties and organizations of the country, particularly what is called "The Anticommunist Alliance of Argentina."

The main political parties in the country are taking a negative stand with respect to the military government, blaming it, in addition to the policy of repression, for the collapse of the economy, the inability to bring the country out of the crisis and foreign policy incompetence. However, the 6-year ban on political activity is affecting their struggle for the "dismantling" of the existing government machinery. During this period several parties ceased their existence, others have been going through a state of confusion and vacillations, the leadership has been replaced and reorganization is under way in still others.

At present there are 16 large and more than 30 small parties in the country. None of them has yet established extensive contacts with the masses and is counting on receiving in the elections the support of large blocks of the electorate, which are capable of ensuring the formation of a one-party government. The orientation toward the triumph of a multiparty coalition, which is speaking out on a unified pre-election platform, led to the formation of a bloc which received the name "Multipartidaria," which includes the Radical Civil Union, the Justicialist Party and a number of other parties. The pre-election program of this multiparty alliance is based on general democratic demands and includes a number of antimonopolistic stands. On the foreign policy level it is oriented toward the active participation of Argentina in the nonaligned movement and at the peaceful settlement of the Falkland issue.

The alliance, however, for the present is far from unity, which is attributable not so much to the debates about whose party will represent the single candidate as, primarily, to intraparty and interparty disagreements on matters of the specification of the economic portion of the program. The coincidence of the critical views (priority to the development of the domestic market) of the two main parties of the bloc on the economic "model" of the military administration does not eliminate the differences between them on the problem of the means of developing the Argentine economy: whereas, in the opinion of the Justicialists, development should be oriented on the basis of the state sectors, the radicals are speaking out for free enterprise.

However, in each of these parties there is also no unified opinion on these issues. The radicals give an interpretation of their economic alternative both in a conservative spirit and on the level of a social democratic statement. The Peronists vary within the framework of the the ideas of desarrollism and syndicalist dirigisme. These variations are also characteristic of the General Confederation of Labor (the trade union center of a Peronist orientation).

Given the overall similarity of the positions of the parties which belong to the "Multipartidaria," essential differences also exist on the questions of the future foreign policy of Argentina. In particular, while regarding Argentina as a representative of the Third World, individual groups of Peronists at times interpret in a directly opposite way the role of the country in this world. Some see the future of Argentina in the implementation of a certain "third" means between socialism and capitalism and see this future in the formation of a certain superclass "just" state, which performs the role of a "supreme judge" over the fighting classes and groups. Others find in the Third World the germs of a new civilization, which is qualitatively different from western civilization, and reduce the basic content of the present era to the struggle of this "forming civilization" against the imperialist powers. Still others would like to seek a solution on the path of the building

of socialism, which is oriented not toward the countries of the socialist community, but toward a kind of revolutionary process of the working masses of the countries of the Third World.

It is worth noting the changes in the position of the Catholic Church. After the visit of the Pope at the height of the Falkland crisis it took a centrist position between the "Multipartidaria" and the policy of the military administration, in 1982 in the document "The Path to Reconciliation" Peronism is repudiated as "demagogogy," while the form of military government is repudiated as "totalitarianism," which has led to the "disappearance" of tens of thousands of Argentines.

A special place in the political life of Argentina today belongs to the Communist Party, which is now going through a period of rapid growth (during the first 3 months of this on the average 170 people joined its ranks daily). The Argentine communists were able for the first time to gather the necessary number of registration forms which are required for the recognition of the right of a party to take part in the election. Thereby for the first time in a quarter of a century the Communist Party obtained the opportunity to nominate its own candidates for election. In April the Communist Party nominated as its candidates for the positions of president and vice president respectively Member of the Political Commission of the Central Committee of the Communist Party of Argentina (R. Iskaro) and I. Rodriguez. At the same time the pre-election platform of the Argentine communists was published. The need for the pursuit of an independent and sovereign foreign policy and the development of relations with the Latin American and nonaligned countries, as well as with the states of the socialist community are stressed in it. The communists are declaring the need for the denunciation of the inter-American treaty on mutual assistance, which compromised itself during the Falkland crisis, are speaking out for the confirmation of the sovereign rights of Argentina to the Falkland Islands and are actively campaigning against the Anglo-American plans of the militarization of the South Atlantic. In the election campaign the communists are speaking out for the unity of action with the workers of a Justicialist orientation. The future of Argentina, the communists note, will depend on whether the democratic forces will be able to unite and to create a broad front both during the election campaign and during the formation of a civilian government coalition.

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U.S. ROLE IN REGION'S TV BROADCASTING ATTACKED

Moscow LATINSKAYA AMERIKA in Russian No 10, Oct 83 pp 48-61

[Article by R. A. Galushko: "Television in Latin America"]

[Excerpts] The development of contemporary society is inconceivable today without television, which has become one of the basic sources of information for many millions of people in different corners of the world. Owing to its specific nature television in only about two to three decades has developed along with radio broadcasting into the mightiest means of information, while in the effectiveness of influence has greatly surpassed all others.

Technical Equipment and the Attempts of Interference of the United States

The color image came to the television screen of the majority of countries of the continent comparatively late--at the end of the 1970's. Here, in spite of the domination of the United States in the sphere of television, only Mexico, Venezuela, Peru, Colombia, Ecuador, Panama, Chile and several countries of Central America accepted the American system NTSC. Brazil, which accepted the West German system PAL, was the first country to abandon the American models. Argentina, which became familiar with color television only in 1980, followed its example. Several countries are still hesitating in their choice (Bolivia, Paraguay, Uruguay), but they are also leaning toward PAL. The French system (SEKAM) is practically absent on the continent, with the exception of French Guiana. The situation, which has formed in the area of color television, attests that along with North American capital West German capital is also penetrating the sphere of television.

The fact that nearly all the countries of Latin America are hooked into the international satellite system INTELSAT, also attests to the quite great development of television in them. Moreover, permanent satellite communications exist between Spain and Latin America: twice a day an exchange of news takes place, music competitions, sports matches and so forth are broadcast. Since 1977 a 1-hour entertainment and information program entitled "300 Million" (such was the size of the Spanish-speaking population of the world during those years) has been presented every Sunday in Spain and 20 countries of the Latin American continent. This is the first joint broadcast of the kind in the world.

In recent years the Latin American countries have been freeing themselves more and more from dependence in the area of technical equipment, particularly the importing of televisions. At present a large percentage of the televisions are already being

produced on the continent. In Argentina divisions of the foreign firms Philco, Sony and others are producing color televisions. The production of video recorders and video cassettes has been set up in Brazil.

It would seem that Latin American television has a sufficiently developed technical and material basis to provide itself with its own television programs, but in reality everything is quite different. And the main blame for this is the domination of North American capital in all spheres of television activity.

The conquest by the United States of the Latin American television screen began, as a rule, with the penetration and introduction of North American capital. In spite of the fact that the laws of the majority of countries prohibited the owning of television stations by people of foreign origin, businessmen from the United States found means of getting around the law. They sought local partners, who were considered the buyers of licenses and became the fictitious owners of the television stations. Then deliveries of equipment and televisions and the supply of the television stations with specialists and programs began. The development of educational programs in educational television, the preaching of the "American way" of life under the pretext of "the teaching of grammar" and so forth began to play an important role. North American capital gradually took root in advertising and in the end achieved a monopoly position in it.

In Venezuela NBC together with the local (Phelps) family "occupied" channel 2 in Caracas, ABC through the (Susneroz) family penetrated channel 4, CBS and Time-Life by joint efforts convinced the local sugar and rum merchants, the (Volners), to open channel 8.

Peace Corps volunteers worked in Colombia, where considerable attention is being devoted to educational television. Their activity is being financed by the Agency for International Development, Stanford University and other organizations.

In those instances when Americans have the opportunity to broadcast directly to the Latin American audience (as is occurring, for example, in Panama, where a television transmitter, the programs of which the entire country receives, has been installed on the grounds of the U.S. military base), they are using it extensively and openly.

Americans have become firmly established in practically all the countries of the continent. However, this was a more difficult matter for them than in other developing regions. It turned out that the Latin American viewer frequently prefers to North American television programs (for example, the products of "mass culture"--multiseries westerns, detective stories and so forth) programs of Latin American production, especially television novels, or, as they are called in Latin America, television short stories, the heroes and events of which are much closer and understandable to him than the adventures of superdetectives and cowboys. The owners of the television stations, who are concerned about the most massive audience--the market for the goods being advertised--cannot but take this into consideration. Moreover, as a result of the protest of the public the showing of North American television products, which abound in scenes of violence and brutality, is restricted in many countries.

The domination of U.S. television products is a direct threat to the national culture of any of the countries, and first of all the developing country. The

sober-minded and patriotic-minded figures of the Latin American countries are understanding this more and more. Opposition to imperialist ideological and cultural expansion is emerging to one degree or another in the majority of them. It is being expressed in different ways and frequently very originally, but the protest against the forcible Americanization of the culture and the desire to preserve its national spirit and its originality are always the basis for it.

The Threat of "Information Imperialism"

As compared with entertainment programs information in television of the Latin American countries holds a quite modest place. Indeed, the late 1970's and early 1980's have marked the rapid increase of the interest in information programs throughout the world, including on the continent. And still it is impossible to say that television information in the region is experiencing a period of boom, as is being observed, for example, in the United States. This is explained by the fact that in the countries of Latin America, where the majority of the population is illiterate, information does not arouse as great an interest as entertainment programs and, hence, is not in the good graces of advertisers.

Another reason is the fact that the practice of dictation in the information market--so-called information imperialism--is being carried out in the countries of Latin America, just as in all developing countries. The weakness of the technical base, the lack of professional personnel and difficulties of a financial nature were the reason that the population of the developing countries is receiving information about events in the world and even in neighboring countries, primarily, from four information agencies--ASSOCIATED PRESS, UNITED PRESS INTERNATIONAL (UPI), REUTER and FRANCE PRESS.

In the sphere of television information United Press International Television News (UPITN) and Visnews are the leading agencies in the western world, which are disseminating their materials in the developing world. UPITN is a joint enterprise of British commercial television and UPI. Visnews belongs to the BBC, the Canadian CBC, the Australian ABC, the New Zealand NZBC and REUTER.

All the agencies disseminate, primarily, information on the developed capitalist countries. The developing countries account for not more than 25 percent of the information, and even then are selected with allowance made for their political orientation. The most important problems of a social, political or cultural nature for the developing countries either are glossed over entirely or are presented as insignificant and uninteresting. The instances when the facts are deliberately distorted are frequent. In other words, western correspondents and editors make the decision on the choice of information topics and the means of interpretation of the theme on the basis of the interests of the ruling classes of the developed capitalist states.

Back in the late 1960's the developing countries began to speak out actively for the change of the existing situation on the international information market. An entire set of measures on the reorganization of the existing system of the international sharing of information, which was called the new international information order, was advanced by them. The creation in 1975 of a pool of news agencies of the nonaligned countries was the first significant step on its implementation. Its

main goals are the supply of more objective information on the social, economic, political and cultural development of these countries.

In 1977 a pool of radio and television organizations of the nonaligned countries--Broadcasters of Non-Aligned Countries (BONAC)--was created. Its constituent congress was held in the same year in Sarajevo (Yugoslavia). The basic tasks of BONAC are the same as those of the pool of news agencies of the nonaligned states, with which it intends to cooperate on an extensive scale. In spite of a comparatively short history of existence, BONAC has already achieved international recognition and has received the endorsement and support of the United Nations and UNESCO. The first festival of television movies of the nonaligned states, in which representatives of 47 countries and 4 national liberation movements participated, was held in Yugoslavia in 1979. A fund for the exchange of programs has been set up within BONAC. When selecting materials preference should be given to materials of the pool of news agencies of the nonaligned countries, and particularly to those of them, which have come from developing states.

At the same time as the initiative of the nonaligned movement UNESCO held in July 1976 in Costa Rica the first regional conference on questions of the information policy of the countries of Latin America and the Caribbean basin with the participation of 75 delegates from 21 countries.¹⁰ The importance of strengthening the national systems of the mass media, in order to eliminate the existing gap between the potentials of the media of the developed and developing countries, so that they could give the world a complete, objective and truthful picture of their reality, was noted at the conference. In a message addressed to the conference Venezuelan President Carlos Andres Perez stated that in Latin America "the peoples are being exposed to the uncontrolled influence of information which is threatening their national integrity.... The international press publishes only that news which discredits the image of our peoples; the large-scale press and the audio-visual media of the industrially developed countries of the West are ignoring our struggle, our efforts and our just demands of an equal international information system. Latin America has the right to demand access to and involvement in world information."¹¹

Television in the countries of Latin America is playing an important role in the political, economic and cultural life of their peoples. The rate of its development leads the growth rate of all other media, which, in turn, is leading to the strengthening of its influence on the broad masses. The ideologists of imperialism consider television to be the most promising source of influence on the peoples of the continent. However, experience shows that this influence is coming up against greater and greater resistance, in the forefront of which are sober-minded and patriotic-minded figures of culture, who are speaking out against the spiritual enslavement of their countries and peoples.

10. DEMOKRATICHESKIY ZHURNALIST, No 2, 1979, p 3.

11. Ibid.

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BOOK ON ANDEAN 'PROGRESSIVE' REGIMES IN 1960'S, 1970'S REVIEWED

Moscow LATINSKAYA AMERIKA in Russian No 10, Oct 83 pp 136-138

[Review by V. M. Kulistikov of book "Andskiye strany: opyt bor'by za progressivnyy kurs razvitiya (trudnosti i protivorechiya)" [The Andean Countries: The Experience of the Struggle for a Progressive Policy of Development (Difficulties and Contradictions)], ILA AN SSSR, Moscow, 1982, 177 pages]

[Text] The progressive regimes, which existed in the 1960's and 1970's in Peru, Bolivia, Chile and Ecuador, made a large contribution to the world experience of the anti-imperialist struggle. The causes of their emergence and fall continue to be at the center of ideological polemics and scientific discussions. In the aptly chosen articles of the collection under review these regimes are examined both by countries and by problems, as a result of which both the common and the specific traits of the complex process of progressive transformations in the countries of the subregion are analyzed.

A number of important theoretical assumptions, which characterize the place and role of progressive regimes in the history of the anti-imperialist movement of the Latin American peoples, are stated in the article of Yu. A. Zubritskiy (editor in chief of the collection), "The Working Class of the Andean Countries Under the Conditions of Progressive Regimes." The author defines a progressive regime as "a political system, which sets as its goal the making of social changes which to one degree or another are anti-imperialist... is oriented in its policy toward the support of the popular masses" (p 6).

The experience of Peru, Bolivia and Ecuador shows that the direct initiation of the emergence of a specific progressive regime can come not only from the working class and its vanguard. However, it is emphasized in the article, the consistency of the anti-imperialist orientation of the regime and its viability depend directly on the unity and organization of the workers' movement, its willingness to fight for the intensification of socioeconomic changes. The "battle for production," the defeat in which--along with the subversive activity of the foreign and domestic reaction--played a role in the fall of the progressive regimes in the countries of the subregion, becomes the most important direction of the struggle after the establishment of a progressive regime.

The thesis of Yu. A. Zubritskiy about the exceptional importance of constructive cooperation between the progressive regimes and the organized workers' movement finds confirmation in the article of Ye. N. Pashentsev, which is devoted to the

activity of the (Trade Union Center of Workers of the Peruvian Revolution) during 1972-1978. The experience of Peru attests that the absence of such cooperation cannot be offset by the creation under the aegis of the government of "special" organizations of the proletariat. In order to finally smash the resistance of the reaction, the working class should rally around its vanguard--the Marxist-Leninist party, an organization which is capable of ensuring the ideological and organizational leadership of its struggle.

The contradictory role of the army in the process of socioeconomic changes is shown in two articles of the collection on the basis of the example of Bolivia and Ecuador. As S. M. Kvasova notes, the Bolivian army after the establishment of the progressive regime was split into supporters and opponents of the government reforms. In spite of the warnings of the communists, General Torres did not want to take "a sufficiently rigid stand with respect to the rightwing, reactionary portion of military men, who continued to retain their positions and posts" (p 61). This facilitated the coming to power of the reactionary military clique, which delayed for a time the process of progressive changes.

The Government of Ecuador headed by G. Rodriguez Lara was also not able to defend the gained positions. In the opinion of V. P. Slinchenko, author of the article on the problems of the sociopolitical development of Peru, traits characteristic of all military regimes, in which the army plays the role of a military revolutionary force, imperialism and the feudal bureaucratic upper crust are its enemy, while nationalism with a trace of populism is its ideology, appeared in the policy of this government. The progressive measures of the government contributed to important structural changes in the socioeconomic life of the country, but a complete transformation of society in the spirit of revolutionary democracy did not occur. The leftist nationalist-minded military men did not have a clear political and ideological program, which could have mobilized the masses for the support of the progressive regime.

Great opportunities for the broadening of the social base of progressive regimes are afforded as a result of the changes in the sphere of agrarian and international relations. As is noted in the article of Ye. Kh. Gavrilova, which is devoted to the agrarian reforms in Ecuador, the Agrarian Reform Law, which was passed in 1973 by the government of G. Rodriguez Lara, in spite of inconsistency and limitedness, promoted the political awakening of the peasantry, which never before had taken any active part in the political life of the country.

In the words of Yu. A. Zubritskiy (his second article analyzes the difficulties of the progressive development of the Andean countries, which are connected with the nature and peculiarities of national relations), the conception of the ethnic unity of the nation, which justifies the removal from political life of many millions of Indian nationalities living in Bolivia, Colombia, Peru, Chile and Ecuador, left a mark on the legislation of all the states of the subregion. A real possibility of settling the Indian question arises only after the coming to power of progressive regimes, but the latter far from always devote the proper attention to the problem of international relations. As a result they lose support on the part of the oppressed nationalities.

In 1969 a number of countries of the subregion created the Andean Group--the most effective integration association in Latin America. In the article of T. V.

Vilenskaya the problems of the integration of the Andean countries are examined in close connection with the domestic political development of each state which belongs to the group. The integration processes in the subregion are occurring in the pointed struggle between the anti-imperialist and pro-imperialist trends, between the democratic and reactionary forces. The fall in the states of the Andean Group of the progressive regimes reduced the role of the former association in the struggle of the peoples of the developing countries for economic independence.

In appraising the collection under review as a whole, it should be stressed that in its articles the abundant factual material receives thorough theoretical interpretation on the basis of the theses of Marxist-Leninist theory about the role of the working class in the anti-imperialist struggle of the peoples of the developing countries, the character and nature of revolutionary democracy and the prospects of the development of revolutionary democratic changes into socialist changes. The well-reasoned conclusions of the authors can be used successfully in the criticism of bourgeois and revisionist conceptions of the sociopolitical development of Latin America, which present in a distorted light the activity of the progressive regimes in the countries of the Andean subregion, especially in Peru and Chile. It is to be regretted that in the collection there was no concluding article devoted to the critical examination of these distortions--this would merely have increased the topicality of this timely and useful publication.

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SCIENTIFIC SOCIALISM RELATED TO IDEOLOGICAL STRUGGLE

Moscow RABOCHIY KLAS I SOVREMENNY MIR in Russian No 5, Sep-Oct 83 pp 30-44

[Article by T. T. Timofeyev, corresponding member of the USSR Academy of Sciences, director of the International Workers' Movement Institute of the USSR Academy of Sciences: "Scientific Socialism and Today's Ideological Struggle"]

[Text] The typical features of the ideological and political activity of communists include an organic combination of creative development of crucial problems of revolutionary theory, which is necessary for an in-depth comprehensive substantiation of their political course, with well-founded scientific criticism of various kinds of anti-Marxist ideas. The need for this approach to the matter was pointed out again at the June (1983) Plenum of the CPSU Central Committee. In its documents and materials and in the speech at the Plenum by the General Secretary of the CPSU Central Committee, Comrade Yu. V. Andropov, a good deal of attention was devoted to principal including program, questions of the communist movement. At the same time the Plenum set responsible tasks for stepping up the ideological struggle against opponents of scientific socialism.

Ideological and theoretical work has always comprised an important sphere of the activity of the conscious avant-garde of the working class. The struggle of the revolutionary proletarian movement has been conducted and is being conducted in the following basic areas, which, as F. Engels thought, are "coordinated and related to one another: on the theoretical, political and practical-economic planes"; it is precisely in this "concentric attack that one finds the force and invincibility"¹ of the workers' movement.

In the modern stage of world social development there is an antagonism, which is unprecedented in its intensiveness in past decades, of "two diametrically opposed world views, two political courses--socialism and imperialism. There is a struggle for the minds and hearts of billions of people on the planet. And the future of mankind depends to no small degree on the outcome of this ideological struggle."²

One of the battle grounds of the struggle of ideas in the world arena is the evaluation of the Marxist heritage and the degree of its influences on the masses.

Marxist-Leninist teachings--in spite of protestations of its old and new "critics"--has been and still is the unshakable methodological base for an in-depth scientific analysis of processes that are developing in the capitalist society.

In his day K.Marx pointed out the inevitability of strengthening the centralization of the means of production and collectivization of labor, the development of higher and higher degrees of them--up to "that point where they become incompatible with their capitalist covering."³ Marx profoundly revealed the basis of various crisis processes that are developing in the bosom of the exploiter system. As early as 1873, in an afterword to one of his editions of "Das Kapital" the author prophetically pointed out: "The movement of the capitalist society, filled with contradictions, most necessarily makes itself felt by the bourgeois practitioner in the fluctuations of the periodic cycle of modern industry whose apogee is a general crisis. Predicting the "many sidedness and intensiveness" of the effects of the crisis under capitalism, K. Marx repeatedly noted that the causes of crises "should be derived from the common conditions of capitalist production" and that their development can proceed in various forms, frequently interweaving with one another."⁴ Considering the crisis of the world capitalist economy, and particularly the world capitalist market, as a concentrated manifestation and a unification of the main contradictions of the bourgeois society, Marx emphasized: "In the general crises of the world market, all the contradictions of bourgeois production violently break through to the surface in their totality..."⁵

Having comprehensively and profoundly substantiated the theory of added value, which occupies a pivotal, central position in Marxist political economics is no accident that in the past as well as in the present the most heated arguments between proponents and opponents of scientific socialism break out precisely around this),⁶ Marx demonstrated the true essence of capitalist exploitation. He proved the ineradicability of the antagonism between labor and capital, the law of development of the irreconcilable class struggle between the proletariat and the bourgeoisie. Marxism scientifically explained the objective conditions for the position of the workers under capitalism, pointed out ways and goals of the struggle of the proletariat and its organization, and comprehensively justified his conclusion regarding the worldwide historical role of the working class as the grave digger of capitalism and the creator of a new, socialist society.

For more than 100 years now there has been a bitter ideological and theoretical struggle around these and other basic tenets of Marx's revolutionary theory. It has assumed an especially broad scale and even greater intensiveness in the modern age, in a situation of growth of the overall crisis of the capitalist system and the strengthening of interest in Marxist-Leninist teachings everywhere in the world.

Under these conditions certain opponents of scientific socialism, while admitting the increased influence of Marxist teachings among the masses, nonetheless do not want to agree with its applicability to modern capitalist reality. "Has the Marxist theory of cycles and crises not become outdated? What is left of Karl Marx?"--bourgeois economists and socialologists ask again and again, unsuccessfully trying to "refute" the conclusions of the originator of scientific communism.⁷

"First let us give him his due," writes the Parisian bourgeois professor Andre Piettre, "as a thinker...behind these 'mechanisms' of the liberal economic system he revealed the structures--legal, political and psychological 'superstructures' and the material and technical base. Resting on these was that same 'policy' which was considered 'natural.' But then under the influence of his materialistic philosophy Marx came to an incorrect (?) conclusion that the latter (base) determines the former (superstructure)." Arbitrarily ascribing to Marxism an incorrect, primitive-deterministic interpretation of the laws of world historical progress, A. Piettre sets out not only to "refute" historical materialism, but also in passing he "makes short work"--an attempt as categorical as it is unsubstantiated--of other constituent parts of Marxist teachings. "Marx had to master an exceptional power of analysis," continues the Sorbonne professor, "in order in his day to unmask the exploitation of the labor force and advance more than his predecessors did in the premonition of the inexorable rise of the proletariat, which at that time was small, disorganized and outcast, and to foresee the concentration of capital which was still poorly developed at that time."

A. Piettre states these truths only in order to change over to an attack on Marxist teaching. He declares: "But what now remains of the conclusions which Marx drew from this? In the near future, he foresaw an automatic collapse of capitalism because of the development of its internal contradictions... The concentration of capital in the hands of the progressive minority was to have been counteracted by growing proletarianism." Trying to dispute the most important tenets of Marxism, this French bourgeois economist, in particular, asserts that under capitalism crises were replaced by economic growth, which was supposed to have been accompanied by social progress.⁸ Such lamentations of the apologist of state monopolistic capitalism were accompanied at the same time by vicious attacks on the developed socialist society which was given the mythical responsibility for "the apocalyptic arms race that was developed throughout the world."

It is difficult to say which were greater in his considerations: the desire to distort Marxism and to smooth over the actual contradictions and crisis phenomena that are immanent in the capitalist system, or the desire to play down the radical, principal differences between imperialism and the new social structure which knows neither crises or exploitation of man by man, nor militaristic psychosis.

The processes developing in the world imperialist system convincingly demonstrate that the capitalist economy--as K. Marx, F. Engels and V. I. Lenin foresaw--in spite of all "regulatory" measures of the bourgeois state, is developing cyclically. This fact is stated by many Western economists, particularly by the writers of the economic speeches of the president to the U. S. Congress in 1982 and 1983 in which he spoke about cyclical phenomena, about the consequences of certain economic difficulties, about structural unemployment and other accompanying processes. A good deal of space is devoted to the consideration of these issues in the works of a number of Western European economists as well.⁹

Marxist researchers devote a great deal of attention to phenomena related to the deepening of the overall crisis of capitalism in our age and, in particular, to questions of the cyclical development of the capitalist economy. They consider this problem to be important both for their own general theoretical conclusions and for an understanding of the essence and dynamics of social relations under capitalism. But, engaged in an analysis of economic cycles, Marxists-Leninists--in spite of statements of bourgeois falsifiers (like the aforementioned A. Pieltre, whose views converge with the ideas of Trotskyite vulgarizers like E. Mandel)¹⁰--have been and are against the interpretation of the Marxist theory of crisis in the spirit of the antiscientific idea of the "automatic" downfall of capitalism, against adventuristic statements of "the worse, the better" and equally incorrect mechanical interpretations of questions of the relationship between economic crises and the phases of the upsurge of the class struggle of the proletariat. Attempts of various kinds of "critics" of the international communist movement to ascribe to it such crude, voluntaristic distortions of the conclusions of scientific socialism are completely groundless.

Creative Marxism-Leninism has proceeded and does proceed from the inadmissibility of reformists, right-wing opportunists, and leftist-mechanistic distortions of the fundamental conclusions of Marxism. In this connection, emphasizing the need for an ideological and theoretical struggle of communists on both fronts, Ye. S. Varga, as early as the first stage of the overall crisis of capitalism, in the beginning of the 1920's, with complete justification wrote: "The evolutionary interpretation of Marx's teachings can lead large segments of the proletariat to passive, fatalistic ideology. Marx's teachings about the inevitable destruction of the capitalist means of production, and the economic substantiation of the approach of socialism, was incorrectly interpreted, as though the destruction of capitalism could take place automatically, without a revolutionary struggle of the proletariat. This is a fatal mistake. Among the factors that lead to the downfall of capitalism, for Marx the proletariat is in the leading position. Neither anarchy of production, nor crises, nor the decline of profit norms, nor the impoverishment of the masses in and of themselves could lead to the destruction of the capitalist society. Only a deliberate revolutionary struggle of the working class can lead to this."¹¹

Under modern conditions the CPSU and the fraternal communist and workers' parties are devoting a considerable amount of attention to investigating new phenomena in the development of the overall crisis of capitalism, to the growth of its internal and external contradictions in the present phase of their aggravation, and to progress in the class struggle on the national and international levels. Referring to the most important processes that are now developing in the world of capitalism, General Secretary of the CPSU Central Committee, Comrade Yu. V. Andropov in his speech at the June (1983) Plenum of the CPSU Central Committee emphasized: "We are witnesses to a significant deepening of the general crisis of this social system. The methods with which capitalism managed to maintain the relative stability of its development in the postwar period are increasingly losing their effectiveness. It is becoming increasingly clear: imperialism is incapable of coping with the social consequences of the scientific and technical revolution which is unprecedented in breadth and scope, when millions and millions of workers are doomed to unemployment and poverty." Imperialism, as was noted at the Plenum of the CPSU Central Committee, "has lost itself in the domestic and interstate antagonism, shocks and conflicts. This is reflected profoundly and variously in the policies of capitalist countries."¹²

Investigating the concrete forms of the worsening contradictions of imperialism, including the main manifestations and the character of the cyclical processes in the world capitalist system, Marxist scholars devote primary attention to the analysis of those aspects of the cyclical process which are typical of the modern phase of the general crisis of capitalism.

Crisis phenomenon in countries of the West and their consequences are also considered by social reformists theoreticians. For example, these questions were the subject of the paper presented by Pierre Rimbert at the conference which was held by the university research center of sociologists in Paris in April 1983, on the occasion of the one hundredth anniversary of the death of Karl Marx.

With what did the reformist ideologist, claiming to present the views of Marx, begin his paper? With the assertion that the great founder of scientific socialism did not have a well-structured, well-thought out theory of cycles and crises. Stating that Marx's works contain only "individual points regarding economic crises," P. Rimbert then asserted: "But these points are scattered so that there is no complete analysis of economic crises..."¹³ But this conclusion is contradicted by reality. It is well known that K. Marx, while studying the unique features of various capitalist crises, also investigated the deep causes and overall patterns of their development, including for the long-range future. He pointed out that the major prerequisite and the main cause that determines the cyclicity of capitalist reproduction and the inevitability of periodic economic crises is the contradiction inherent in the exploiter system between the social nature of production and the private nature of appropriation. It is precisely the deepening of this antagonism which leads in the final analysis to a situation where, as Marx wrote

in "Das Kapital," normal conditions of simple and expanded reproduction under capitalism "are transformed into equally numerous conditions of the abnormal course of reproduction, and equally numerous possibilities of crises since the balance--with the random nature of this production--is itself a random phenomenon."¹⁴ Only on the basis of Marxist methodological principles is it possible to have an in-depth, strictly scientific analysis of the laws of the capitalist means of production which determine the prerequisites, nature and consequences of the development of capitalist cycles and crises. And what Yu. V. Andropov wrote about the timeliness of the generally immortal Marxist heritage is quite applicable to this problematic: "Today the richest content of Marx's teachings spreads out for us much more broadly and deeply than it did for his contemporaries."¹⁵

Modern Marxist-Leninist theoretical thought, based on a truly authentic methodology, explains why the periodic economic crisis which began even while Marx was living, in the first half of the 19th century, in our day have not only not ceased, but have become more frequent, and why they have been accompanied in the last third of our century not only by cyclical declines in production but also by more prolonged disorders, including branch and other structural crises, and so forth.¹⁶

The dialectical, creative approach to studying new phenomena in world economics and politics, which is inherent in revolutionary Marxist-Leninist theory, is alien to reformist doctrines. Therefore they (particularly the same P. Rimbert--in France, and the petit bourgeois radical economists like P. Sweezy--in the United States),¹⁷ claiming to have their own "explanation of the crises," and generally of changes in the world social development in the modern age, ignore the main thing: the aggravation of the general crisis of capitalism, the struggle of the two systems and the development of the basic social antagonism of the age--contradictions between imperialism and real socialism, which is completely groundless on the theoretical-methodological plane and erroneous and dangerous in terms of ideology and politics. For the actually existing socialism exerts a colossal and increasingly influence on world development, including on socio-economic phenomena and political and ideological changes in capitalist countries.

It is important to emphasize another thing. The general crisis of capitalism is certainly not limited to processes of crisis in the sphere of economics. This is an all-embracing crisis of the entire capitalist system, which embraces economics, politics, ideology and culture. Additionally, as it worsens it exerts an increasingly strong influence on cyclical processes which are not manifested uniformly. Thus during the almost three postwar decades a number of processes that are typical of capitalist crises have taken place in more latent form, which has been reflected in the specific nature of the cyclical decline and in a certain modification of the cycles of that time.

Let us recall the main features of this period. The world cyclical crises have been accompanied by large differences in the indicators of the dynamics of production in various regions of the capitalist world (for example, in North America the decline in production was considerably greater than it was during the same years in a number of West European countries or in Japan); and there was an international asynchronicity in the development of the capitalist cycle. And although during the same period there were cases of depression of production even in the cyclical phases of revival and upsurge, on the whole this period was distinguished by relatively high rates of economic development. True, this modification of the cyclical processes certainly does not mean (as Western neocapitalist ideologists have depicted it) any "dying out" of the contradictions of the exploiter structure.

Marxist-Leninist thought at one time gave a convincing reputation to these ideas.¹⁸ Let us recall that during that time--with the exception, perhaps, of the crisis of 1948-1949 in the United States (when there was a price drop)--the price "elasticity" with respect to the economic market conditions most frequently disappeared. Before the end of the 1960's the crises usually developed against the background of a relatively stable price index. But subsequently the inflation processes gradually increased. And even in 1970-1971, in spite of the crisis, prices increased sharply in all large capitalist countries, thus marking the changeover to the stage of "stagflation."

When analyzing the cyclical processes in the capitalist countries, one should separate short-term attendant aspects from the essential factors which assert a longer-term influence on the cyclical processes, and one should also consider the evolution of these factors themselves.

The specific nature of the development of capitalist countries during the first postwar decade was conditioned to a considerable degree by the existence of an immense so-called postponed (during the years of World War II) demand, which exerted an influence on postwar economic cycles.

Moreover, the positions of the workers and their organizations in the struggle against capital became stronger. The increased organization and solidarity of the workers' movement, which forced the monopolies to give significant concessions to the workers when determining the amounts of wages, were also important. The ruling circles of a number of countries, when maneuvering, were forced to agree to certain socio-economic reforms that pertained to increasing state expenditures on education, public health, social security, and financing of housing construction.

The scientific and technical revolution as it developed after World War II and the rapid growth of a number of new branches led to an increased relative intensiveness of the investment process during the period under consideration. The utilization of "cheap" oil and other resources with reduced prices which were obtained from economically backward countries constituted an important

additional source of monopolistic profit. This was also reflected in the course of capitalist reproduction. The modification of the cyclical processes during this period was also conditioned by a number of other factors related primarily to further development of the system of state monopolistic capitalism.

With the increased scale of state expenditures, the ruling monopolistic circles hoped that by relying on means of budget and credit regulation, they could always "cure" the capitalist economy of crises and "overcome" the cyclical nature of its development.

But these hopes and illusions were not destined to come true. Neither the regulatory role of the bourgeois state nor the certain modification of capitalist cycles could save imperialism from more economic disorders and shocks of crises.

The growth of state monopolistic tendencies led to a situation where the concentration of capital and the power of the largest monopolies in the past decade have become unprecedented in the entire history of capitalism. This certainly did not lead to an easing of the cyclical declines, which is clearly proved by the crises of the 1970's and the beginning of the 1980's. State monopolistic "regulation" turned out to be extremely contradictory and, in the final analysis, it itself began to experience a crisis. Although the degree of information of the monopolies is increasing, under the conditions of bitter competition, the irrepressible desire to retain dominance in the market leads to a situation where, in spite of the glutting of the latter, they sometimes expand production and raise prices. This overproduction took place, for example, during the course of the crisis of 1973-1975 on the automobile market in the United States.

The course of cyclical processes in the past decade has demonstrated the ineffectiveness of the "anticyclical" policy of the bourgeois state. It is not surprising that when in the 1970's the processes of crisis began to proceed considerably more rapidly, the ineffectiveness of the policy of the bourgeois state was revealed to an even greater degree. Even in the preceding period the "postponed" demand was increasingly exhausted. By the end of the 1960's the effective increased demand for durable goods had weakened appreciably, the market conditions and housing construction had deteriorated, and unemployment had begun to rise. The defects of unrestrained growth of the volume of state expenditures with unbalanced state budgets began to reveal themselves more and more clearly. In a number of countries, including the United States, the rates of scientific and technical progress began to slow down and labor productivity began to decrease. The situation also changed on foreign markets: the fact that the production potential of Japan, the FRG and a number of other Western European countries was growing more rapidly than that of the United States and great Britain led to more bitter competition in the struggle for the markets.

At that time the orientation of the monopolies toward a sharp increase in the proportion of oil in the fuel and energy balance, on the one hand, and the increased struggle of the peoples of the developing countries for establishment of control over their own natural resources, on the other, created prerequisites for the beginning of the energy crisis.

But this involved something larger: the world capitalist system, during a period of a general reduction of the rates of economic development, entered a phase of serious new shocks of crises of the most varied kind. Their maturing and then the most important manifestations of them in the first half of the 1970's were marked by such occurrences as the appearance of the aforementioned stagflation at the beginning of this decade, the deepening of the energy crisis which began with a sharp increase of prices of petroleum in the autumn of 1973, and continued to become more critical up to 1973-1974, and the manifestations of the world economic crisis in 1974-1975.

The last, as we know, was, in terms of its scope--the depth of the decline of industrial production, the number of countries affected, the increased number of unemployed and a number of other parameters--the deepest cyclical crisis of the past four decades. It would seem that such an outbreak of capitalist contradictions would have prepared the basis for a subsequent fairly stable and prolonged rise in the economy. But this did not happen. The growth of industrial production during 1976-1979 was weak and it was repeatedly interrupted in a number of leading capitalist countries by prolonged periods of stagnation and even short curtailments of production. For example, in the FRG industrial production remained on one level for seven quarters during 1976-1978. In the United States industrial production, for a long period of time during the 1970's and 1980's, practically did not grow. There were similar periods of stagnation and reduction of production in France, England, Italy and other countries. This also predetermined the relatively small amounts of overall growth of industrial production as a whole during the years of an upsurge as compared to a similar phase in the preceding cycle.

To a considerable degree this course of the cycle after the crisis of 1974-1975 was also determined by the weakness of the investment processes. Japanese, Italian and West-German capitalists needed four years to surpass the preceding maximum level of investments in industry. On the whole, the overall growth of investments in industry in the leading countries of the West was two-thirds-one-half the amount that it was in the analagous phase of the preceding cycle, and in England it dropped by 3 percent. This phenomenon was brought about by a number of factors. Among them one should single out, in particular, the influence of the long-term process of growing overaccumulation of permanent capital. The negative effect of this factor was not eliminated during the course of the crisis of 1974-1975. Therefore in the years of the subsequent upsurge, the level of load of the capacities remained low: during the period of 1976-1978 in the United States it exceeded by only 3 percent the average level of loading of production capacities during the decade before the crisis of 1974-1975, in Japan--by 6 percent, in the FRG--by 3 percent, and in France--by 4 percent as compared to the period of 1964-1973.¹⁹

Under these conditions the entrepreneurs did not have motivation to invest capital in the expansion of production or in the creation of new jobs. Most of the investments went for modernizing existing production, mainly for installing equipment that made it possible to reduce the expenditures of raw material and energy and, even more important, which made it possible to reduce labor expenditures. The way of streamlining of production, which embraced the capitalist world, along with weak economic growth led to a sharp deterioration of the situation in the labor market.

As a result, the level of unemployment by 1977-1978 had again reached record levels. It significantly surpassed the crisis peak of 1974-1975 in England, Italy, France, the FRG and Japan, and in the United States it was equal to it.

The aggravation of the employment problem could not but have an effect on the situation of the proletariat. The increased nominal wage rates increasingly began to lag behind the growth rates of the cost of living. Even during the crisis of 1974-1975 there was a decline of real earnings in such countries as the United States and England. On the whole, the low rates of increase of real income in the second half of the 1970's played a role in reducing the growth rates of production.

Under these conditions state expenditures no longer exerted their previous influence. Serious problems related to the increased amounts of the national debt by the end of the 1970's became an obstacle not only to further increasing state incomes, but also to maintaining them at the level already reached. While in 1960, new loans were used to finance 2.4 percent of the state expenditures in the United States, 3.8 in the FRG and 5.7 percent in England, on an average for 1976-1980, these indicators were 12.8 percent, 12.2 percent and 14.3 percent, respectively.²⁰ An ever increasing proportion of state expenditures now goes for paying interest on the incredibly swollen state debt, which consists to a considerable degree of short-term loans with high interest rates.

There has been a sharp change in the situation on the world market as well. Having encountered an ever worsening problem of sales on domestic markets, the monopolies of the leading capitalist powers have tried to force exports, which led to increased competition and trade "wars" on the markets for steel, motor vehicles, plastics, agricultural products and others. The growth rates of the physical volume of world trade in the second half of the 1970's slowed down. And the exports of the more competitive countries of capitalism could increase only as a result of crowding out the products of the less competitive countries both on the world and on their own domestic markets, which contributes to a further decline of a number of civilian branches of industry.

On the whole, the factors that determined the brevity and weakness of the upsurge in the second half of the 1970's also predetermined the nature of the new cyclical decline which began in 1980. This crisis, the longest in post-war history, developed in an extremely specific form. True, in the past

there were also crises in which the low point of the output of products came after it had decreased several times, interspersed with periods of stands or even growth of production. In particular, this form of development of the crisis was typical for many capitalist countries in the 1930's. During the course of the present world economic crisis, its two-stage expansion turned out to be extremely widespread.

The crisis at the beginning of the 1980's has a good deal in common with preceding ones. This includes the combination of the crisis and inflation and structural shocks, the reduction of the volume of world trade, the aggravation of the crisis in the credit and financial sphere, the decline of real earnings and the broad scale of mass, structural unemployment, and so forth. If not in terms of the depth of decline of industrial production (on the whole for industrially developed capitalist countries), then in terms of a number of other parameters, this crisis is perhaps more eloquent evidence than the one in 1974-1975 of the bitter foes of the capitalist society.

In the first place, in all the leading capitalist countries except for the FRG and Japan, this crisis was preceded by a period of a considerably greater increase in prices than there was for the crisis of 1974-1975. In the second place, while during the course of the crisis of 1974-1975 there was a decline in the real earnings of the workers primarily in the United States, at the beginning of the 1980's this took place in many other capitalist countries. (And in the United States the real incomes of the workers dropped to the level reached at the end of the 1960's.) In the third place, the new phase of the world capitalist cycle is distinguished by an even more dangerous condition of the credit and monetary system (as a result of the heavy inflation and the immense growth of the state and private indebtedness). A number of the largest debtors--including both private corporations and states--are faced with a most critical problem of covering current indebtedness. At the same time the high interest rates and the depressed condition of the currency market block the possibilities of expanding investment activity. In the fourth place, the current situation is characterized by a further sharp aggravation of the economic contradictions between the three "centers of power" of the world capitalist system: the United States, Western Europe and Japan. Trade wars among them are taking place in more and more commodity markets. One should also take into account the fact that the crises are now developing under conditions of much more organized and severe struggle of peoples of developing countries for the establishment of "a new international economic policy." The application of measures of force on the part of imperialist countries in order to place on them the burden of losses is being repulsed much more strongly today.

Further, one cannot but pay attention to the circumstance that at the beginning of the 1980's the crisis was developing under the conditions of increasing militarization of the economies of the United States, Great Britain and other capitalist countries. This undoubtedly had a difficult effect on the

state of affairs in the civilian branches, which leads to an inevitable further aggravation of the contradictions between entrepreneurs who are interested in the growth of civilian production, and financial groups related to the military and industrial complex, contradictions which impede the adoption of effective measures against the crisis.

Finally, it is especially necessary to emphasize the fact that during the 1970's and 1980's the crisis developed with already high initial indicators of unemployment. During the course of the crisis it increased to the highest scale of the past more than four and a half decades. This has dealt and continues to deal heavy blows to the situation of the working class, leading to a reduction of the standard of living and less support for the existence of millions and millions of people.

In the face of the aggravation of the employment problem, the ruling circles of the countries of the West are more and more frequently forced to recognize the inability of capitalism to overcome chronic unemployment. This, as they note, pertains both to cyclical and structural unemployment. It has been said, for example, in the economic report of the U. S. president to the Congress in 1982, that more cyclical declines "are expected in the future just as they have existed in the past."²¹ A year later the compilers of the new report, referring to the critical "double problem engendered by structural and cyclical unemployment," again emphasized the conclusion that large amounts of such unemployment are among the "most serious economic problems facing the United States."²²

The process of crowding the labor force out of production, which has taken place in the United States and other capitalist countries in recent years, in all probability will continue. This is related not only to "current factors" which increase unemployment (with the overall condition of the economic market, migration, and also the consequences of specific demographic processes). The increased number of people without work in the current, new phase of the scientific and technical revolution is apparently inevitable.

This matter cannot be reduced simply to quantitative indicators. The structure of unemployment is also changing. Previously most of the unemployed were older people with limited ability to work, poor or completely outdated skills, and who were incapable or did not desire to be retrained. There was a comparatively large proportion of declassé elements who embodied the social drags. Present-day unemployment, conditioned mainly by the release of labor force as a result of the restructuring of the production base, has spread to an entirely different type of labor force. These, on the one hand, are youth with a high level of education who, because of the lack of vacancies, have been unable to be included in the production process after completion of training and, on the other, semiskilled and skilled workers in mass occupations, the need for whom is rapidly decreasing. Both groups, as distinct from the old type of unemployed people, are characterized by a developed structure of needs and a high level of social activity.

As distinct from the first postwar decades when the unemployment situation was frequently temporary, the unemployment at the end of the 1970's and in the 1980's is more stable in nature. With the lack of effectively operating systems of vocational training and retraining, this persistent unemployment is turning into an increasing dequalification of people who have lost their jobs.

Modern unemployment not only reflects the aggravation of the economic problems of the capitalist society, but is also fraught with serious socio-political consequences.

The mass forcing of the able bodied population out of the production process and the transformation of unemployment into a way of life for a considerable part of the society leads to a breakdown of the workers into two parts: those who included and those who are not included in production. Monopolistic capital is counting on the idea that the competition between them will lead to the weakening of the positions of both in the class antagonism with the capitalists. Trade unions are legitimately concerned about this.

For the working part of the population the pressure of the immense reserve army of labor turns into an actual weakening of the positions on the labor market. The growing lack of confidence in the future, the fear of losing jobs, and the psychological pressure of the environment weaken the militant spirit of hired workers and force them to occupy defensive positions and make many more concessions than are dictated by the economic situation and the actual alignment of socio-political forces. In turn, the fact that the supply of labor is constantly and considerably greater than the demand makes capitalists especially aggressive, since they can more easily turn to such forms of pressure on the working class as lockouts, which contribute to provocation of discord among the various professional and age groups through the "goal-oriented" system of firing.

Even now in many capitalist countries the attack on the system of unemployment insurance has led to results which are extremely appreciable for significant categories of the population. As the social assistance funds run out, since they were not intended for such a mass scale of unemployment and have changed over to deficit financing, capitalists are exerting pressure with increasing force which is directed toward reducing the amounts and worsening the condition for payment of the corresponding benefits. This makes it possible to predict a tendency toward deterioration of the conditions for the existence of various categories of workers who have been forced out of the production process. Of course, the organized labor movement is striving--and will continue to strive--to counteract this tendency. But in the present situation real resistance to the attack of the monopolies will require greater efforts from the proletariat and its organizations than have been made in preceding years.

Nor can one fail to take into account the fact that of no less significance (and in a number of cases, more) are the moral shocks and the fact that many unemployed people have lost their faith in the future and in their own strength. Here the influence of such phenomena on the individual are manifested the more strongly, the longer the period they are without work. These are manifested especially on the awareness and behavior of those representatives of younger generations for whom participation in public production has been impossible from the very beginning.

Thus the deepening crisis phenomena have a negative effect on the conditions for the existence of a considerable mass of the working population. This can lead to a weakening of their positions and a loss of a number of the things they accomplished as the result of many decades of hard struggle on the part of the working class and its organizations.

Moreover, the employment crisis, and the "marginalization" of part of the population of the capitalist society which is related to it, involves (as the experience of the 1920's and 1930's shows) the accumulation of negative phenomena in the political and socio-psychological area, which can lead to a disorientation of the mass groups of the population. As a result of this disorientation, some of the population places the responsibility for the poor functioning of the economic mechanisms (inherent in capitalism) on agencies that were created as the result of many years of struggle of the masses of people, on the professional and political organizations of the working class, and so forth. As historical experience shows, such disorientation is exacerbated and reactionary ruling circles try to take advantage of it in their own interests, with the goal of narrowing and reducing to nil the progressive and democratic conquests which the masses have achieved in past decades.

The aggravation of the crisis processes give rise among the influential groupings of the ruling state monopolistic circles to a desire to direct the accumulated potential of mass dissatisfaction into the foreign political sphere. They promote international tension. Under the present difficult conditions, when the world situation has been complicated, when the arsenal of means of mass destruction is expanding, and the next stage in the arms race, provoked by a decision to place American medium-range missiles in Western Europe, is increasing the military threat, such consequences of the capitalist crisis are becoming especially dangerous.

Thus, the aggravated contradictions and the increasing shocks of the capitalist system of management demonstrate the correctness of the conclusions of communists with respect to the greater economic and political instability of the bourgeois society under the conditions of the deepening general crisis of world capitalism.

It is not surprising that to one degree or another even the bourgeois reformist ideologists and many eminent political activists of the West themselves are more and more frequently forced to recognize this. "Where is the world

capitalist economy going?" Contemplating this question, the French weekly L'EXPRESS states that in recent years in the West "scientists and industrialists regard the crisis as the main characteristic of the international economic situation." And he goes on to write: "The history of capitalism is literally 'riddled' with crises interrupted by a few respites. The main issue for the West now is to know essentially the duration and the depth of the present phase of the crisis... Under the conditions of present-day unemployment, many think that the capitalist system is monstrous."²³ These conclusions are even more symptomatic since they come from people who wish to retain capitalism.

The aggravation of the contradictions and the crisis phenomena in the world capitalist system have raised a number of complicated problems for the social reform organizations and their leaders. An especially large amount of attention is drawn, for example, to the question of the combination of cyclical crises with other, more prolonged processes, which include increased unemployment, inflation, the aggravation of structural (including raw material and energy) crises, the increased currency disorders, and so forth. This creates prerequisites for increased socio-political instability and crisis situations in various regions of the capitalist world.

In connection with the aggravation of the crisis of the system of state monopolistic regulation of the economy, a number of the parties of the Socialist International and many activists of the social democratic movement, including W. Brandt, H. Vogel and H. Schmidt (FRG), O. Palme (Sweden), and F. Mitterrand, F. Mauroy, and J.-P. Chevenman (France), are alarmed to see that the crisis which has embraced the Western world has reached a scope that is unprecedented since 1929-1933, and under the conditions of the aggravation of the contradictions between the United States and the countries of Western Europe, has grown into a prolonged "world depression" which is fraught with serious new economic and socio-political upheavals.

It is no wonder that during the course of the international, regional and national conferences that were organized in 1983 on the occasion of the 165th anniversary of the birthday and the 100th anniversary of death of Karl Marx, the consideration of socio-economic problems and contradictions of capitalism aroused an especially large amount of interest from the broadest segments of the society. Many of these conferences were organized by communist parties, and--by scientific research institutions involved with social, social-democratic and trade-union organizations, and so forth.

Responding to the latest "critics" of Marxism, who are trying to eliminate the contradictions and sore spots of the world imperialist system which is experiencing a profound crisis, French Marxists convincingly show the radical and principle distinctions between scientific socialism and what they call "utopian capitalism,"²⁴ which is usually depicted by bourgeois ideologists as some crisis-free, conflict-free society. Communists of the United States who

held a conference entitled "Karl Marx and the Revolutionary Movement Today" in 1983 in New York devoted a great deal of attention to the reliability of his basic predictions and the application of Marxist-Leninist methodology to an analysis of modern capitalist activity. The same problem also occupied a significant position at other international symposiums devoted to the memory of Marx.²⁵

As we know, in the 1950's and 1960's the leading activists of Western social democracy did not conceal their desire to adapt to the mechanism of the functioning of state monopolistic capitalism. Relying mainly on Keynesian methods of regulation, they declared their intention to implement a number of reforms which, according to their calculations, would make it possible for them to count on more significant support from the voters. The profound crisis which embraced the countries of capitalism in the 1970's also caused a number of political changes, including influencing the ability of social democracy to utilize the mechanism of economic regulation which had taken form prior to this. The scale of unemployment increased, there was a decline in production in the capitalist world, and inflation was being experienced with increasing severity. Striving somehow to step up the economic activity, the social democratic governments went into debt, as a result of which deficit of the state budgets increased. But in the majority of cases this policy did not produce the expected effect. Social democracy was deprived of its main "trump" card: the ability to maneuver and conduct certain reforms. In a number of countries this also led to a reduction of their electoral support.

The confusion of the social democratic activists which increased under the conditions of the crisis revealed that they do not have either a well-developed mechanism or an integrated theory which would make it possible for them to find a way out of the situation that was created. As a result, in such countries as Great Britain and the FRG they had to give way to bourgeois parties in the government.

During those same years various parts of the labor movement, including social democracy, came up against the upsurge of mass general democratic movements: antiwar, ecological and other "new social movements." Many of their representatives, as we know, denying the previously formulated "logic of industrial growth" in the countries of capitalism, began to call for a revision of the political system existing in the West and the formation of an "alternative" way of life. In the FRG, England and other countries, as the facts show, these movements also included some of those who had previously supported social democracy in the elections and were potentially ready to vote for it, which led to a certain reduction of the social base of social democracy in a number of countries. This shows that many of the slogans it advanced no longer satisfy a considerable proportion of the population as much as they did. Moreover, within its own ranks (as is shown, in particular, by the heated debates in the labor movement and the trade unions of England, as well as in a number of social democratic organizations of other countries) there

were stronger disagreements and discord. Because of these circumstances, the leaders and ideologists of social reformism ended up in a difficult dilemma: either to follow the old course or to revise their policy, paying attention to the voices of the "Greenpeace," the "ecologists," the "proponents of alternatives," and so forth.

The analysis of problems like this requires the consideration of a complex of issues that also involve the peculiarities of the functioning of the state monopolistic mechanism in the modern stage of the crisis of capitalism. Here it is necessary to take into account the social and psychological aspects of the behavior of the unemployed under the conditions of the cyclical and structural crises and the consequences of the introduction of new technology.

Communists are calling for increasing the efforts in the struggle for anti-monopolistic programs that are advanced by left and progressive forces, taking into account that economic and socio-political situations in which the working class in the countries of capitalism are now waging a struggle for peace and social progress.²⁶

In the current phase of the aggravation of the general crisis of capitalism, the workers' movement and all peace-loving and progressive forces have especially great responsibility to step up the struggle for solving the most important problem currently facing mankind--preventing world thermonuclear war.

Communists proceed from the idea that this problem can be successfully resolved by joining together a broad coalition of forces which are working for peace, including in the international social democratic movement. Regardless of the fluctuations and "zig zags" in the activity of individual social democratic parties, the increasingly complicated international situation requires solidarity of all forces which are disturbed by the growth of the military threat in the struggle for peace and international detente.

The need for comprehensive consideration of the consequences of the crisis phenomena in the capitalist system along with other crucial problems, including questions of war and peace, and the analysis of the positions of various trends in the labor movement regarding these problems, is dictated by life itself.

Marxists-Leninists are directed toward this by the main line which has been reflected in a number of important documents adopted by the leaders of the fraternal socialist states and the Marxist-Leninist parties of these countries. They include the Political Declaration, which was approved in 1983 at the Prague Conference of the Political Consultative Committee of the Warsaw Pact Organization, which became an important landmark in the struggle of the fraternal countries of the socialist community for peace and security of

nations. The significance of the large-scale initiatives and the broad, open program set forth in it is especially great in the present international situation. The countries of socialism are repeatedly expressing their resolve to increase efforts to implement the program of actions directed toward eliminating the military threat and relieving international tension, which was set forth in Prague and then ratified at a meeting of the leading parties and state activists of the fraternal countries which took place in Moscow on 28 June 1983.

The results of the Eighth Conference of Secretaries of Central Committees of Communist and Workers' Parties of the Socialist Countries regarding international and ideological issues, which took place in Moscow in 1983, were also of great significance. At this conference they comprehensively analyzed crucial tasks of political and ideological work, taking into account the changes in the international situation. They again emphasized the importance of an in-depth analysis of the nature and consequences of the crisis phenomena in the capitalist world, their influence on the position of the workers, the preconditions and unprecedented scale of the antiwar movements, their tendencies and prospects; as well as problems of the development of relations between communists and social democrats and religious circles. In this connection, they took note of the importance of a dialectical combination of the course toward joint actions with them and the necessary ideological polemics.²⁷

In the current situation, what with the increased antagonism on the international scale among various socio-political forces, it is of colossal significance to gain for the masses or people a decisive influence on the solution to problems of war and peace, primarily through strengthening joint statements and unified actions on the part of workers in various countries. In this connection it is difficult to overestimate the importance of the appeal formulated in the message of the CPSU Central Committee, which was sent to the 16th Congress of the Socialist International (which took place in April 1983 in Portugal). This appeal rallies the workers and the democratic movement associated with the Socialist International to increase their contribution to the cause of saving mankind from a nuclear catastrophe. The CPSU, as was again emphasized in this document, is doing everything possible to implement and develop the line of the 26th Party Congress with respect to international social democracy, striving for greater joint actions on the part of various organizations of workers and the struggle against the militaristic, reactionary policy of the monopolies and for peace and social progress.

In our day as never before it is increasingly important to have unity of the actions of various detachments of workers and various organizations which are coming out against the military threat. "We are firmly convinced that even with the great diversity of political views, working people are always working people, and they have many common interests," emphasized Yu. V. Andropov in a conversation with the eminent American trade-union activist, W. Winpisinger, in the USSR in August 1983. "Today this common interest consists primarily

in maintaining peace and preventing the catastrophe of another world war, and this is a nuclear missile war, whose terrible consequences for mankind it is difficult even to fully imagine."²⁸ In the struggle against this danger, against the outbreak of militarism, workers and the broadest groups of peace-loving people throughout the world are joining their efforts.

FOOTNOTES

1. Marx, K. and Engels, F., "Soch." [Works], Vol 18, p 499.
2. Materials of the Plenum of the CPSU Central Committee, 14-15 June 1983, Moscow, 1983, p 7.
3. Marx, K. and Engels, F., "Soch.," Vol 23, p 773.
4. See Marx, K. and Engels, F., "Soch.," Vol 23, p 22; Vol 26, Part II, pp 573-575.
5. Marx, K. and Engels, F., "Soch.," Vol 26, Part II, p 594.
6. For more detail see, for example, "The Value Controversery," Verso editions and NLV, London, 1981.
7. See also: Bronsenbrenner, M. (ed.), "Is the Business Cycle Obsolete," New York, 1969; Aron Raymond, "Marxismes imaginaires," Paris, 1970; Bell, D. and Kristol, I. (ed.), "Capitalism Today," New York, 1971; Piettre, Andre, "Que reste-t-il de Marx?" "Revue des Deux Mondes," May, 1983, pp 274-278; Garand, A., "Que reste-t-il de l'economisme de Karl Marx?" Paris, 1983.
8. "Review des Deux Mondes," May, 1983, pp 275-276.
9. See, in particular, Dahrendorf, R. (ed.), "La Crise en Europe," Paris, 1982.
10. Mandel, E., "Ende der Krise oder Krise ohne Ende?" Berlin, 1977; idem., "Long Waves of Capitalist Development," London, 1980; idem., "La Crise: 1974-1982," Paris, 1982.
11. Varga, Ye. S. "Izbrannyye proizvedeniya. Nachalo obshchego krizisa kapitalizma" [Selected Works. The Beginning of the General Crisis of Capitalism], Moscow, 1974, p 263.
12. Materials of the Plenum of the CPSU Central Committee, 14-15 June 1983, pp 23-24.
13. Rimbart, P., "Marx and Economic Crises," "Cahiers L'O.U.R.S.," Paris, X-XI, 1983.

14. See Marx, K. and Engels, F., "Soch.," Vol 24, p 563.
15. See "Karl Marks i sovremennost'" [Karl Marx and Modernity], Moscow, 1983, p 7.
16. For more detail see op. cit., p 37, 115-117, 177-179.
17. Sweezy, P. M., "Marxism and Revolution: 100 Years After Marx," "Monthly Review," Vol 34, No 10, March 1983, p 9-11; idem., "Four Lectures on Marxism," New York, 1981, p 71-84.
18. See Arzumanyan, A. A., "Bor'ba dvukh sistem i mirovoye razvitiye" [The Struggle of the Two Systems and World Development], Moscow, 1964, pp 444-447. See also "Tendenze del capitalismo Europeo. Atti del Convegno di Roma organizzato dall'Istituto Gramsci, 25-27 giugno, 1965, Editori Riuniti, 1966, pp 37-101.
19. See: "IPW-forschungshefte", Berlin, 1982, No 2, p 127.
20. See "International Financial Statistics," August 1981; "International Financial Statistics Yearbook," 1979.
21. Economic Report of the President. Transmitted to Congress, February, 1982. Washington, 1982, p 54.
22. Economic Report of the President. Transmitted to Congress, February, 1983. Washington, 1983, p 29.
23. L'EXPRESS, 26 February 1982, pp 39-40.
24. LA PENSEE, No 232, March-April 1983, p 50.
25. See POLITICAL AFFAIRS, April-May 1983. See also "Karl Marx, Centennial International Seminar, the University of Burdwan, India," 1983.
26. The anticrisis programs of the communist parties and the crucial problems of the antimonopolistic, anti-imperialistic struggle under these conditions are considered especially in a number of works of Marxist researchers. See, for example, "Sotsial'no-ekonomicheskiye problemy bor'by kompartiy v razvitykh kapitalisticheskikh stranakh" [The Socio-Economic Problems of the Struggle of Communist Parties in Developed Capitalist Countries], Moscow, 1981; Zagladin, V. V., "Za prava trudyashchikhsya, za mir i bezopasnost' narodov. (Kommunisticheskiy avangard rabochego dvizheniya v nachale 80-kh godov)" [For the Rights of Workers and for Peace and Security of Nations. (The Communist Vanguard of Workers' Movement at the Beginning of the 1980's)], Moscow, 1982.

27. See KOMMUNIST, 1983, No 8, pp 56-65.

28. PRAVDA, 18 August 1983.

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CUBAN REVOLUTION EXEMPLIFIES FORMATION OF CLASS CONSCIOUSNESS

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[Article by M. A. Okuneva, doctor of historical sciences, senior scientific associate of the International Workers' Movement Institute of the USSR Academy of Sciences: "The Formation of Class Consciousness of the Proletariat: The Experience of the Cuban Revolution"]

[Text] In discussions about the role of the working class in the modern world, bourgeois sociologists tried to prove the inapplicability of Marxist-Leninist teachings concerning the class consciousness of the proletariat both to modern developed capitalist countries and to the group of developing countries. A new phenomenon in the ideological struggle is the attempt to utilize distorted descriptions of the proletariat of developing countries, in whose environment bourgeois sociologists do not find "poor and radical minded workers," for proof of the lack of this social type both in modern developed capitalist countries and in Western Europe of the 19th century.¹

Regarding Marxist classical analysis as a "terminology of narrow application," they separate the formation of the class consciousness of the proletariat from the class struggle, juxtapose ethnic ties to the class conflict, and find only petit bourgeois features in the consciousness of the large groups of the working class. As a well-known English sociologist, P. Lloyd, asserts, the broad masses of workers of developing countries see their ideal only in the precapitalistic means of production, and not in socialism; they have no idea of an alternative structure of society and socialist ideals, which leads to a search for decisions within the framework of capitalism. Not capitalism as a social system, but a concrete government is the main object of their criticism and opposition. Bourgeois sociologists take advantage of the negative aspects of the mass consciousness of hired workers of the so-called nonformal sector, migrants, and temporary and unskilled workers in order to refute Marx's theory about the class self-awareness of the proletariat. The concept they have created in recent years of a "new form" of urban poverty in Latin American and Afro-Asian countries (not "places of despair," but "places of hope") is regarded as a refutation of the existing "Western stereotype of the worker" who

is aware of his own class interests. The desire of the migrant to return to the country or to the base of "his own work," the "peasant mentality," and the illusions about private property are used to refute Marx's theory about the significance of the class self-awareness of the proletariat which, bourgeois authors assert, has not been confirmed even in the revolutions which were successful ("in spite of Marx") not in industrially developed countries, but in backward countries where they took place under the leadership of intellectuals--products of the "middle class."²

Bourgeois sociologists do not consider here the class characteristics of national liberation revolutions, the role of the masses of people in the struggle of the proletariat in them, or the activity of the revolutionary--democratic and communist parties, and they ignore the significance of the world system of socialism and the international workers' movement, which created favorable conditions for their victory. Bourgeois sociologists ignore the ubiquitous process of rapprochement of these proletarian segments with the industrial proletariat, their joining in to the workers' movement and the formation of a proletarian psychology and a class self-awareness in this environment.

In their struggle against Marxism-Leninism, bourgeois sociologists, like sociologists who hold positions of petit bourgeois revolutionism, utilize especially extensively their distorted rendition of the experience of the Cuban revolution. During the almost quarter of a century that has taken place since the victory of the revolution, they have tried to prove that the Cuban experience shows the lack of participation or the insignificant role of the working class, the lack of revolutionary desires on the part of the urban proletariat and industrial workers. They depict the Cuban working class as "privileged," "made bourgeois," and lacking class consciousness. In spite of the fact that the working class played a leading role in the revolution, bourgeois sociologists assert that the Cuban proletariat, especially the skilled workers, were "integrated" into the capitalist system. Thus they strive to present Marxism-Leninism as some "outdated" or "unsuitable" teaching for Latin America.³

In this situation a Marxist analysis of the materials of sociological research on the workers who are participants in and contemporaries of the revolution, acquires special importance since it makes it possible to understand more profoundly both the role of the proletariat as a whole in the revolution and the position of its various detachments, and to resolve with respect to Cuba the problem set by V. I. Lenin in his time--to study what the workers are thinking, the mood of the masses, the "peculiarities and unique features of the psychology of each segment, of the occupations, and so forth..."⁴ "...Do the workers see themselves as capable of fighting and leading the fight,"⁵ and to give a serious description of the actual level of awareness of the entire mass of workers, and not only the revolutionary vanguard. The Cuban revolution once again confirmed V. I. Lenin's idea that "an indicator of any real

revolution" is the rapid and repeated increase"... in the number of representatives of the workers and the oppressed masses who are capable of political struggle, who have been apathetic up to now..."⁶

The basic stages in the recognition by the proletariat of their own interests, which have increased during the course of class struggle, when fighting Spanish colonialism and then U. S. imperialism were:

the origin of the random workers' movement and the beginning of the formation of the proletariat as a class (the middle and end of the 19th century);

the appearance of mass workers' organizations and the first socialist parties. The growth of the strike and anti-imperialist movement. The prevalence of revolutionary syndicalism. The creation of prerequisites for the joining of the workers' movement to scientific socialism (the beginning of the 20th century--1917);

the revolutionary upsurge of 1918-1925 under the influence of the October Revolution. The creation of Marxist-Leninist parties. The increased profound influence of international solidarity of Cuban workers on the formation of their class consciousness;

the growth of the mass anti-imperialist and workers' movement and the growth of the class consciousness of the proletariat in 1925-1933, during the period of the revolution in 1933-1935, and during the years of World War II;

the Cuban revolution. The storming of Moncada, the landing from Granma, the development of the struggle against the dictatorship. The transformation of the working class into a leading force of the new revolutionary process (1953-1959).

In order to study the class consciousness of the Cuban proletariat during the period of struggle for victory of the revolution, it is of special interest to analyze the sociological research on the Cuban workers which was conducted by the American sociologist and left wing radical, M. Zeitlin, with the cooperation of the Cuban government and by Che Guevara personally.⁷ Workers of various social origins and various race and sex and age groups of enterprises of all provinces of the country were questioned. Of special interest is the material on the class consciousness of skilled workers and the proletarian cadre, on the one hand, and unskilled workers who had recently left rural areas or petit bourgeois segments, on the other.

A most important source of the formation of the class consciousness of the workers and their revolutionization was the anti-imperialist struggle. Cuba's dependent position caused severe class hatred for American capitalists. The workers saw an inseparable link between exploitation and the dominance of American capital. Anti-imperialism increased the basic class conflict.

The overwhelming majority of workers participated in the revolution: 86 percent of those who worked for 6 months or less during a year, 74 percent of those who were employed for 7-9 months and 62 percent of the workers who worked 10 and more months per year supported the revolution. The percentages of workers of these groups who supported communists were 35, 32 and 26 percent, respectively. More than 70 percent of the workers with a weekly wage of 30-60 pesos were also on the side of the revolution. Many of them (from 25 to 44 percent) were sympathetic to communists, and the following groups of workers participated especially actively in the revolution: workers on the sugar plantation (76 percent), urban workers (71 percent), and agricultural workers and peasants (70 percent). Of the workers who came from petit bourgeois and employee groups, 64 percent were on the side of the revolution. The same picture was revealed on the basis of an analysis of attitudes toward the revolution of groups of workers of various social origins. Of those who were children of workers in sugar refineries, 78 percent supported the revolution, and in second place were those who came from families of agricultural workers and peasants (74 percent), and then came urban workers (67 percent), workers from petit bourgeois segments (66 percent) and employees (57 percent). More than one-third (35 percent) of the people who came from families of sugar workers supported the communists (in the other groups this percentage was 24-26 percent, and among employees--21 percent). Workers in the sugar industry were the most advanced and politically aware detachment of the proletariat.

A special place among workers who supported the revolution was held by proletarian cadres. They constituted the nucleus of the revolutionary forces. More than half (52 percent) of the workers participating in the revolution who were questioned were descended from workers (23 percent of the revolutionary workers came from families of peasants and agricultural workers, and 25 percent from employees and petit bourgeoisie).⁸

The revolutionary forces skillfully utilized the "concealed predilection for radicalism" and their "nonpolitical radicalism" which were inherent in the workers.

A leading role was played by workers of large enterprises who were more revolution minded. Trade unions were widely organized and they were distinguished by more stable traditions of class solidarity and were to a greater degree under the influence of communists. But at small enterprises as well, which constitute only half of all the enterprises in the province of Havana, a politically aware, organized nucleus was formed.

During the course of the revolution, the political awareness of the working class increased rapidly. The workers of the "1953 generation" who entered the workers' movement during the period of the revolution were at the center of the revolutionary struggle. The "1953 generation" adopted the historical experience in revolutionary struggle of the generations of 1868-1895 and the revolution of 1933-1935. The older generation of workers who had experience in the revolution of the 1930's also participated actively in the struggle

against the dictatorship. Skilled workers supported the revolution especially actively. The number of communists and their followers in this segment of the working class was greater than among the lower-paid (semiskilled and unskilled) workers. Of the workers who were questioned 100 percent understood their position as the exploited mass and supported the revolution.

Data about the ages of revolutionary workers are also extremely indicative: 90 percent of those who were 25-32 by 1959 were on the side of the revolution, 70 percent of those who were 49-56 years of age, 69 percent of those in the age group of 41-48, 61 percent of those who were 33-40, and 55 percent of the workers who were 18-24 years of age. Thus various age groups of workers participated in the revolution. The especially high percentage of young workers, those were 19-32 years of age in 1953-1959 is especially indicative. The young worker of 19-26 (in 1953) was a typical figure among the rebels and participants in the city resistance. The entry into the ranks of the working class and the labor activity in the labor collective contributed to the formation of their political position. The relatively smaller amount of participation in the revolution on the part of the youngest group of workers (those who were 12-18 in 1953) is related to the fact that they did not have solid tempering as workers.

If one includes the percentage of unemployed workers or part-time workers who supported the revolution and also those workers of the age groups who were working regularly, it turns out that 100 percent of the unemployed and part-time employed workers of ages 25-32 and 85 percent of those who had worked supported the revolution. The corresponding figures for the age groups over 41 are--82 and 68 percent, 30-40 years--81 and 43 percent, and 18-24 years--75 and 43 percent.⁹

Black workers actively supported the revolution. They were subjected to racial discrimination, were not as well provided with work and were paid worse, and the majority of them had no opportunity for education. The strong revolutionary traditions of the black workers who had been integrated into the national proletariat in their active participation in the struggle against the Spanish yoke and in the anti-imperialist and class uprisings of the beginning of the 20th century as well as in the revolution of the 1930's and the trade union movement contributed to increasing their class consciousness.

Working women who were subjected to discrimination in wages were an important revolutionary force. Before the revolution they comprised 11.8 percent of the industrial workers (in the textile industry--46 percent).¹⁰ Many women worked in the food and tobacco industry and were employed at small enterprises. Despite the influence of conservative values on their awareness, 62 percent supported the revolution (working men 73 percent), and 25 percent supported the communists (among the working men--33 percent).

The struggle of the communists was of immense importance in the matter of forming the class consciousness of the workers. Communists became the leading force in the workers' movement as a result of their immense authority among the workers of strategically important branches of the economy and large

enterprises, primarily in the sugar industry. An American sociologist notes that communists were not only revolutionaries and trade-union leaders, but also honorable leaders, and that in Cuba where corruption prevailed they made a great impression. The communist party was the only party on a national scale which held positions in the struggle for socialism. In spite of the terrible persecution of communists and the dominance of industrial imperialist reactionary forces in the means of mass information, more than one-third of the workers of the "1953 generation" and from one-fifth to two-thirds of the older workers supported the communists. A study of the mass consciousness of most of the workers shows that with the stronger revolutionary attitudes of the workers, their sympathy with respect to communists also grew.

An analysis of sociological materials shows that with all the differences in psychology, behavior and political orientation of groups of the working class in terms of their origin, age, political experience and skill categories, the majority of workers supported the revolution and participated actively in it. The revolution was supported by all groups of the working class: the majority of workers of large and small enterprises, the hereditary urban workers, workers on sugar plantations, workers of peasant origin and descendants of the petit bourgeois segments, employed and unemployed, skilled, semiskilled and unskilled, those who are satisfied with their work or not, men and women, blacks and whites, young and old--in each group two-thirds and more of those questioned supported the revolution. During the course of the questionnaire the workers emphasized that before the revolution they produced wealth which did not belong to them, were subjected to regular exploitation, and could not control their life, not to mention the society, and they were under the yoke of those who "after the elimination of the constitution plunged the republic into an abyss of vice and corruption."¹¹

The workers' understanding of the alienation as a manifestation of exploitation played a role in revolutionizing the working class, which refutes the concept of American bourgeois sociologists, according to which alienation "in spite of Marx" does not lead to increased anticapitalist sentiments and class consciousness of the workers, but stimulates their interest in acquiring their own farms or being transformed into businessmen.¹² The materials of the investigation show that alienation, more than other manifestations of dissatisfaction, is a source of revolutionary political views: 84 percent of the workers who were investigated changed their attitude toward work after nationalization. They emphasized that only under socialism did they have a desire to work, which they had not experienced previously. Their dissatisfaction with work, which arose out of alienation, was an important psychological factor which influenced the political position of the workers.

Equally groundless is the thesis of bourgeois sociology to the effect that skilled workers of modern branches and enterprises are "privileged" and "turned bourgeois," they strive to become owners or managers, and they are less receptive to revolutionary ideals than other segments of the proletariat are.

American bourgeois sociologists state that in Cuba skilled workers who have permanent work have been transformed into a "closed, privileged and conservative group"¹³ and have lost their revolutionary role. These sociologists ignore the fact that, in spite of the higher wages, it is precisely these segments of the working class, to a lesser degree than the rest of the proletariat, that have been paid in terms of the value of the labor force. Their proportion in the national income, with the increased unpaid added value, has dropped, and the norm of operation has increased. Here it is necessary to emphasize that a description of the situation of skilled Cuban workers as the best paid workers requires many reservations. Although skilled and semi-skilled workers receive more wages than unskilled workers do (and frequently three times more), one cannot but note that these wages have not corresponded to the increased cost of living and have been much less than in developed capitalist countries. Moreover, in Cuba skilled workers have frequently received less in some branches than unskilled workers have received in others. Of the skilled workers, 22 percent received less than 40 pesos a week, approximately one-third as much as unskilled workers received.¹⁴ The Cuban experience shows that the degree of revolutionism is not directly dependent on the amount of wages. The most highly paid workers in Cuba were the dock workers, but even during the years of the dictatorship they aligned themselves behind the communists.¹⁵ The best paid workers also prevailed in mass revolutionary organizations.¹⁶

The oppressed position of the working class and the clearer awareness of this by the permanent and skilled nucleus of the proletariat--such is the cause of their great revolutionary inclinations. The motivation for the political behavior of skilled workers was dictated by the fact that they were hereditary workers, who had gone through the school of the class struggle, and were closely related to the workers' movement. The relatively best paid skilled workers of certain branches of the economy, as compared to other detachments of the proletariat and as compared to the incomes of the peasants and the inhabitants of the "poverty areas," was not a criterion for their political position. It not only did not lead to a suppression of the class struggle or to uprising on the side of the reactionaries, but, on the contrary, contributed to increasing the demands they made on the social aspects and the content of labor, their increased needs, and gave rise to new sources of revolutionary attitudes. The Cuban experience shows quite clearly that "having achieved an improvement in living conditions, the working class also rises ethically, intellectually and politically, and it becomes more capable of achieving its great liberation goals."¹⁷

Permanent workers, as distinct from new, young segments of the proletariat, have a clearer understanding that the working class is the main object of exploitation and have recognized its new forms and the growing disparity between real wages and the profit of the corporations and the reduced share of the working class in the national income. In spite of the dogmas of bourgeois sociology to the effect that the lower-paid workers hold more radical

positions, it is precisely the skilled Cuban workers, those who are permanently employed proletariat, in spite of their relatively higher incomes, who have been distinguished by a higher level of class consciousness and political culture.¹⁸ A study of the mass consciousness of the workers of Cuba shows with all clarity that the level of income has not determined directly the radicalism or conservatism of their political positions. Of course, the Cuban workers with the lowest incomes have extensively been enlisted in the revolutionary struggle, but a low income in and of itself is not a source of proletarian radicalization--the decisive factors were organization, participation in the workers' movement and the level of political culture. In the sugar industry, where the skilled workers are concentrated, the influence of the communist party was strong. The sons of these workers, having acquired a specialty, entered the environment of the revolution-minded workers. They inherited the political attitudes of their fathers.

Skilled workers are mainly hereditary workers. They have had a more developed class consciousness than those proletarians whose fathers were peasants or belonged to the middle classes.

Skilled workers supported the revolution along with unskilled workers, but among them there were more who were sympathetic to communists. They were concentrated in the sugar refineries where the influence of communists was stronger. According to data of the investigation, before the revolution 38 percent of the skilled workers supported the communists, 25 percent of the semiskilled workers, and 21 percent of the unskilled workers. The same picture was revealed among skilled, semiskilled and unskilled workers who came from families of workers in the sugar industry (67 percent, 33 percent and 18 percent, respectively) or from families of urban workers (36 percent, 25 percent and 12 percent, respectively). In the various age groups, those who were closest to the National Socialist Party were skilled workers (42 percent of those who were 25-32 years of age in 1959 and 55 percent of those who were older than 41). At the same time among the unskilled workers these figures were 15 and 20 percent, respectively.¹⁹

The permanently employed proletariat played an especially large role in the victory of the revolution. Skilled workers felt more keenly the irrationality of the capitalist system while the "new recruits" of the working class largely retained the motives, ideals and values of their senior class less than did the hereditary workers who participated in the revolutionary movement, and the former gave less support to the trade unions and leftist parties. It was precisely the skilled workers, especially the tobacco workers who had a developed political awareness,²⁰ who were the initiators of the labor movement in Cuba. A study of the social psychology of workers in prerevolutionary Cuba refutes the bourgeois socialist ideas about the inclination of skilled workers toward "moderate" and even "conservative" policies, including the opinion of the American bourgeois sociologists S. Lipset and R. Bendix who assert that the revolutionary position of skilled workers under capitalism is explained by the

impossibility of these workers entering the "middle class" under the conditions of a "closed society."²¹ The political position of the skilled workers was conditioned not by the impossibility of occupying a better position in the capitalist system, but by protest against the system itself. Skilled workers were motivated to achieve a higher status in the working environment than they were to enter the "middle class." In Cuba, where descendants of the lower segments of the petit bourgeoisie strove to become skilled workers, the idea of Lipset and Bendix concerning the striving of workers for "social recognition" on the part of the "middle class" turns out to be completely groundless.

The motivational aspects of the political behavior of the main mass of skilled workers lie in their dissatisfaction with capitalism and in their more prolonged participation in the labor collective and in the labor movement. This is their primary distinction from the young, new segments of the working class, the majority of whom filled the ranks of the unskilled proletariat.

The skilled workers refuted the "theory" about their "privilege," and considered themselves to be the most exploited group who received relatively less remuneration for their more complicated labor. And they had in mind not only wages, but also the possibility of advancing, "upward mobility." On the whole, in the Cuban working class, skilled workers were not regarded as the privileged part--and this was an important indicator of the high development of the class consciousness of the proletariat.²² Workers who considered themselves to be privileged were more receptive to reformism and "economism." The influence of the "workers' bureaucracy" was a serious obstacle on the path to raising the class consciousness of this class.

It should be noted that a number of representatives of non-Marxist sociology proceed from extremely antiproletarian ideas, from a groundless denial of the political role of the entire working class. The active position of one detachment of the proletariat or another is obtaining recognition. This pertains especially to the uprisings of unskilled workers who were previously migrants. At the same time the thrust of these concepts is directed toward denying the revolutionary nature of the main segments of the permanently employed proletariat and their industrial nucleus, which, as before, is declared to be "privileged" and "turned bourgeois."

Other manifestations of this tendency are attempts to join workers with the highest and lowest incomes together into one group in terms of the level of class consciousness of the workers, to explain the special role of sugar refinery workers in the revolution only by their lack of economic support and their suffering from seasonal unemployment, and so forth. Attempts to present poverty as a direct detonator of revolutionary uprisings and a simplistic understanding of the influence of the economic market on the awareness of the working class were also reflected in the desire to use the "relative economic stability and political democracy" of 1944-1952 to explain the less active (although it encompassed 61 percent of the workers) support of the revolution by the generation of workers that was formed during these

years. But in fact a decisive influence on the negative aspects in the consciousness of some of the workers of this age group was exerted by the policy of mercenary trade-union bureaucracy, the alliance between the government and the anticommunist "labor leaders," and the alienation of the communists from the leadership of the Confederation of Workers of Cuba in 1947.

An analogous tendency can also be traced in the assertions about the negative influence on the workers' class consciousness of such a factor as the increased number of employees and workers in non-physical labor which was supposed to give rise to "loyalty to the entrepreneur," and "indifference" to the trade-union struggle. Thus the appearance of new contradictions in modern industrial enterprises, their reproduction on a broader basis and, consequently, the creation of new possibilities for the revolutionary struggle are ignored. The materials of the investigation of Cuban workers show that not the number of employees, but an understanding of the essence of social relations at the enterprise exerted the decisive influence on their political position.

Equally unsubstantiated is the thesis about the "lack or minimum nature" of political differences between the working class and the marginal and lower segments of the petit bourgeoisie. Proceeding from the notion that the position of the small merchant or craftsman is even less supported than that of the industrial worker who is organized in trade-unions, and the changeover of marginal workers to the ranks of laborers means an improvement in their economic and social position, it is asserted that these "social classes" are almost identical.

Attempts to cast doubt on the Marxist viewpoint that the revolutionary potential of the working class is related to the growth of large cities and the increased concentration of workers at large enterprises are also groundless. Workers in large cities have been one of the most important forces in the revolution. The outstanding role in the revolution of workers of sugar industry enterprises located in rural areas does not negate the role of city workers, but only confirms the essential Marxist tenets concerning the significance of large-scale production in the organization of the working class.

Left wing radical sociologists, establishing the revolutionary role of skilled workers of Cuba, accompany this conclusion with reservations: the understanding by the latter of their position as the most exploited group is regarded as a "paradoxical fact," and the lack of direct dependency between the amount of income and the level of class consciousness is interpreted as contradictory to the teachings of K. Marx, to whom they ascribe the vulgarizing thesis that only Irish workers, precisely because of their poverty and disorganization, introduced the "revolutionary fire" into the English working class.²⁴ Equally groundless are attempts to show, using the experience of the Cuban revolution, the ultraradical thesis about the "unnecessariness" of the proletarian party.²⁵

An investigation of the socio-psychological image of the Cuban proletariat and their various detachments is of extremely great significance for understanding the role of the working class in the revolution and the further development of Marxist-Leninist theory regarding the question of the role of the working class in the modern world. The Cuban experience showed that as the working class itself develops its revolutionary inclinations certainly do not become weaker, that the worker who is involved in large-scale production has a higher class consciousness.

Additionally, the Cuban revolution also revealed the weakness of the working class, for example, the passivity of certain of its segments. These weaknesses were brought about primarily by the relative youth of the Cuban proletariat, the relatively small proportion of its industrial nucleus, and the prevalence of small enterprises in all branches except the sugar industry. The outburst of anticommunism, the dissemination by the ruling classes and imperialism of ideas of "class cooperation," the policy of the wholesale trade-union elite, and the political isolation and persecution of communists were also obstacles to the growth of the class awareness of the proletariat. The ideological influence of U. S. imperialism in Cuba reached dimensions unequalled anywhere in the world. Some of the working masses were disoriented by bourgeois parties.

At the same time the weaknesses of the working class can be neither absoltized nor exaggerated since the decisive tendency was growth of the class consciousness of the proletariat. The workers' movement exerted a profound influence on the development of the liberation struggle and the evolution of revolutionary democracy in the direction of scientific socialism. The self-sacrificing struggle of revolutionary democracy which came out as a heroic standard bearer of the revolution, in turn, contributed to the development of the struggle of the working class, which played a leading role in the revolution.

This is shown by the active participation of the workers in the decisive battles, in the rebel army, in the city resistance and the city uprisings, the influence of strifes and struggles of the working class on the broad masses of people, and the changeover to positions of Marxism-Leninism on the part of the revolutionary leadership of the "26th July Movement" headed by Fidel Castro. Of immense importance were the struggle of the working class before the revolution and their creation of an "anticapitalist political structure,"²⁶ which exerted a great influence on the revolutionary democracy which led the revolution. The vanguard of the working class--the National Socialist Party--made its contribution to the victory of the revolution. It combined within its ranks the best representatives of the Cuban working class, many of whom gave their lives for the victory of the revolution. As for certain disagreements regarding the question of the forms of conducting the struggle against the dictatorship, they were of a temporary and purely practical nature. As the oldest Cuban communist, Fabio Grobart, notes, there

were no "essential ideological, principle or program divergences" between the National Socialist Party, the revolutionary leaders of the "26th July Movement" and the "Revolutionary Directorate of 13 March."²⁷

A study of the class consciousness of the workers during the revolutionary period makes it possible to draw the conclusion that neither the proletariat as a whole nor its industrial nucleus was integrated into the capitalist system. It is precisely the permanently working proletariat that were the support of the revolutionary forces. During the course of the revolution there were essential changes in the consciousness of the workers and their political activity increased. The Cuban revolution clearly refutes bourgeois and petit bourgeois theories about the "decline" of the revolutionary nature of the working class in the modern age.

FOOTNOTES

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THE INTERNATIONAL SITUATION AND SOCIAL DEMOCRACY

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[Article by V. Sh., "Key Problems of Modernity and Social Democracy"]

[Text] An important problem which is constantly in the field of vision of Marxist researchers is the role and position of the working class and its organizations in the struggle for peace and social progress.

The permanent scientific contacts among social scientists of the fraternal socialist countries make it possible to regularly compare the evaluations of the practical and theoretical activity of social democratic parties. The symposium entitled "The Crisis of Capitalism, Military Danger and Social Democracy" which was organized by the Institute of the International Workers' Movement of the USSR Academy of Sciences and was held in Moscow in June of this year was devoted to this purpose. Participating in it were eminent social scientists of the countries of the socialist communities.

A corresponding member of the USSR Academy of Sciences and the director of the IMRD of the USSR Academy of Sciences, T. T. Timofeyev, noted that the need for coordinating and comprehensively considering the consequences of the crisis phenomena in the capitalist system with the most crucial earthshaking problems of war and peace and with an analysis of the positions of the various trends in the labor movement, including international social democracy, is a powerful command of the day. We are directed toward this by that main line concerning radical political and ideological-theoretical questions which is adhered to in a number of important documents adopted by Marxist-Leninist parties.

It is obvious that an analysis of the activity of organizations of workers under the conditions of the current phase of the crisis of capitalism, including the evaluation of the position of social democracy, would be incomplete without considering, if only in its main manifestations, the crisis itself which affected the West in the middle of the 1970's and the beginning of the 1980's. Taking this circumstance into account, participants in the symposium expressed their opinion regarding the situation that has taken form in the modern capitalist economy.

As was noted by Y. Khusar, a member of the Central Committee of the Hungarian Socialist Workers' Party and general director of the Institute of Social Sciences under the Central Committee of the Hungarian Socialist Workers' Party, new phenomena in the capitalist economy can be recognized on the basis of the patterns of development of capitalism that were revealed by Marxism-Leninism. The roots of these phenomena lie in certain structural changes in world capitalism whose development is increasingly being determined by the branches that are based on the latest technology. The economy requires more capital investments, which are frequently covered through reducing expenditures on wages. Capital is striving to return to itself what it has lost to the working class in the past, without thereby reducing the operation norms.

In the reports and comments of G. Massora, director of the Center for Research on Western Europe under the Central Committee of the Communist Party of Cuba, V. Paff, director of the Institute for Research on Imperialism of the Academy of Social Sciences under the Central Committee of the Socialist Unity Party of Germany, and P. Khavash, sector chief of the ION under the Central Committee of the Hungarian Socialist Workers' Party it was noted that the crisis of capitalism is exerting an ever increasing influence on various aspects of the activity of modern social democracy. The problems of unemployment and inflation and the crisis of the currency and finance system are forcing social democracy to change not only its specific political course, but also its ideological tenets. In the modern situation the social reformist part of the labor movement is making certain adjustments in the solutions to problems of restructuring international economic relations, although major attention is still being devoted to solving the crucial problems of the socio-economic development of the West.

The subject "Capital and the Working Class in the Crisis Period" was discussed in detail in the report of doctor of historical sciences and division chief of the IMRD of the USSR Academy of Sciences, A. A. Galkin. Having drawn attention to the fact that capital during the period of economic crisis is waging a broad attack on the positions of the working class, making it more difficult for the latter to repulse it, the speaker noted the desire of the bourgeois to place on the shoulders of the workers most of the losses from the crisis and the expenditures on conducting anticrisis measures. In the opinion of the Soviet scholar, this tendency was manifested even during the time of the economic crisis of 1974-1975, although then capitalists did not manage to achieve one of the major results of their tactics--to lower the level of the actual earnings of hired workers. Moreover, in certain countries they even achieved an increase in these earnings. But in the 1980's the situation changed radically: conditions for the existence of the workers deteriorated significantly.

A. A. Galkin also touched on another aspect of the crisis: the increased mistrust of considerable numbers of the population in the power of the authorities who are responsible for the situation which is extremely unsatisfactory for the majority of the population, which is typical of the West as a whole.

In this connection he shared with participants in the symposium an extremely important observation: the "potential protest" which has arisen in the crisis situation has no concrete political orientation so far and, with a couple of exceptions, is being channeled against those political parties and movements which are associated most in the consciousness of the public with the support of the concept of the "state of general well-being" or embody the direct political power at the time when the crisis development assumes clear-cut forms.

The latter remark seems to us extremely significant. For it is no secret that today in groups of politicians and scholars there is a dispute about the gathering force of either a "conservative" or a "social democratic" wave. Here, as a rule, they use the new results of parliamentary elections in various countries. But these elections, if they are used as one of the criteria of the frame of mind of the electorate, do not show any other tendencies than the tendency of the crisis of mistrust in the power of the authorities, whether they be bourgeois conservative or social democratic governments. Indeed, there is a question of whether one can speak about strengthening Western European conservatism on the basis of the assumption of power in the FRG of a block of bourgeois parties of the Christian Democratic Union/Christian Social Union, while in the last elections in Italy the Christian Democratic Party received the least number of votes from the electorate in the postwar period. On the other hand, the successes in the latest parliamentary elections of the socialists in Spain or the social democrats in Sweden who were previously in opposition certainly does not appear to be an all-European "drift to the left," for in this time segment West German social democrats and British labor party members sustained heavy defeats. It is obvious that when placing the economic crisis, like some kind of tracing paper, on the political situation in individual countries, it is also necessary to take into account other factors which influence the behavior of the electorate: the number of alternatives in pre-election programs of the opposition, the solidarity of the ranks of one party or another, the role of the mass media in the support or criticism of the government.

The question raised in A. A. Galkin's paper concerning the critical attitude of the population of the West toward apologists of the "state of universal well-being" pertains directly not only to bourgeois conservative, but also to social democratic parties. The latter, as is generally known, were less zealous than their opponents on the right in defending during the years of high economic market conditions the thesis about a society which is supposed to be immune to economic crises. In all ways popularizing among their allies the "theory of the lack of crises," and arranging their political activity around this (although particular regional variants of this theory and practice differ), the leaders and theoreticians of social reformism seem to identify the movement they headed with the capitalist system.

But beginning in the middles of the 1970's and especially in the 1980's, in the circles of social democracy there was a "reorientation of values," which was noted by many of those who spoke at the symposium. In particular, the

leader of the group of consultants of the international division of the CPSU Central Committee, Yu. A. Zhilin, pointed out those new accents placed on this issue by the 16th Congress of the Socialist International. The Summary Resolution adopted there gave a more self-critical evaluation of previous social democratic views. In particular, it mentioned the widespread phenomenon in the postwar period of "euphoric illusions about transformed capitalism, idyllic ideas about limitless growth which would provide for ever-increasing justice both within the states and among them, without addressing the difficult need to make serious institutional changes." "This was," it is emphasized in the resolution, "the result of an unjustified generalization of the experience of the 1950's and 1960's, and this mistake is now obvious."

That which was postulated by the 16th Congress of the Socialist International is now being reflected in the programs and individual theoretical works of the leading parties that are members of this organization. Evaluating this tendency, scientists of the IMRD of the USSR Academy of Sciences emphasized that with all the peculiarities of the evaluations, most of the social democratic parties are unified in one thing: the present crisis is by nature not only cyclical, but also structural. It is also extremely important that social democrats compare the present crisis with that cataclysm which the capitalist world underwent in 1929-1933. The lessons of the "Great Depression" of the 1930's have not failed to leave their mark on the present generation of social democratic leadership and party theoreticians. Candidate of historical sciences M. A. Neymark (IMRD AN SSSR) thinks that social democracy is trying to look at the aggravation of the present economic situation in Western Europe through the prism of these lessons.

Three main tendencies were singled out, which were traced when the crisis was evaluated by various Western European parties that are members of the Socialist International. The most clear-cut anticapitalist direction of the evaluation of the crisis was typical of a number of Spanish and Belgian socialists. As for the social democrats of the FRG and Sweden, and also a number of socialists of France, they proceed from the idea of the "historical breakthrough," that is some kind of process of radical restructuring of the economy that encompasses modern capitalism. Finally, the British laborites and socialists of Portugal in their latest programs rely not so much on the general capitalist or global processes as on the specific features of their own countries and the incorrect methods of administration that are practiced by various governments.

M. A. Neymark also singled out that position which is common to social democracy which, perhaps, prevails over any nuances of regional specifics. The difficulties experienced by social democracy when under the control of the shaky capitalist economy increases its desire in some way to muffle the clarification of the initial sources of the crisis processes, for a deeper investigation of them would require not only movements, but also practical implementation for a radical alternative program for overcoming the crisis which involves prospects of "breaking with capitalism."

Marxist scholars quite naturally strive to evaluate those formulas for overcoming the crisis which are now being proposed by the reformist part of the workers' movement. The documents of the last congress of the Socialist International, for example, could serve as material for this. It adopted a special program consisting of eight points which the social democrats themselves regard as the basis for "socialist" actions. It discusses the need to improve the capitalist economy in order to reduce unemployment and inflation, and it also discusses planning and measures which make it possible to direct resources for "truly productive capital investments." The Socialist International postulates the need to stabilize currency and interest rates and to redistribute income and wealth, and it raises the problem of the equal rights of all citizens and all nationalities. It also demands a reduction of the working day, proclaiming itself to be "the main forum for democratic and voluntary coordination of this policy."

But is this program some new "platform of action" that is principally different from previous social reformist plans? One cannot but agree with Yu. A. Zhilin who noted that the list of measures proposed by the congress which were directed toward bringing the capitalist world out of the crisis is mainly a set of good wishes which do not mention the class forces whose actions can contribute to achieving these goals, which contains no clear-cut concept regarding carrying out the radical social transformations as a necessary prerequisite for emerging from the crisis. Yu. A. Zhilin emphasized that although many of the goals proclaimed by the program bring it close to the democratic alternative policy of "controlling the crisis" which is advanced by communists of a number of capitalist countries, the methods for achieving these goals are extremely unclear, and sometimes simply contradictory. Thus the passages about social property and planning are extremely unclear, and nothing is said about the actual limitation of the power of the monopolies, and nothing is mentioned about the class struggle. As a result, in addition to the recognition of the groundlessness of Keynesianism which is generally accepted today, we are faced with nothing more than a social democratic neoKeynesian concept which is modernized in terms of a number of points.

It is quite natural that the plans that are advanced are not only an attempt to suggest to all social democracy some "model of behavior" during the period of crisis, but also seem to reproduce both the strong and the weak aspects of the specific anticrisis policy which has been implemented or is being implemented by social democrats of various countries of the West. Candidate of historical sciences and sector chief of the Scientific Information on Social Sciences Institute of the USSR Academy of Sciences, B. S. Orlov, analyzed in detail the practical actions of social democracy for overcoming the crisis in the economies of their countries. As an example he gave the French socialists who today have essentially put to the side indefinitely their strategy of a "break with capitalism," having encountered serious resistance along the way from the ruling classes. He evaluated the policy of the Spanish Social Workers' Party (ISRP) as "cautious" and "moderate." While proceeding toward the nationalization of a number of large firms, the government of F. Gonzalez is

also encouraging the activity of medium-sized and small private capitalist enterprises, assuming that this way he can at least partially alleviate unemployment--this most crucial problem that faces the country. As for the plan for far-reaching transformations in the Spanish society proposed by the ISRP even in opposition, they have now been put off indefinitely.

In his comments V. Paff pointed out the obvious shortcomings in the anticrisis policy in the SDPG at the end of the 1970's. Constantly giving in to the pressure from bourgeois circles, West German social democrats were unable to develop effective measures for overcoming unemployment which, obviously reduced the popularity of the party and led to its removal from the seat of power. Now, being in the opposition, the SDPG is again proposing a plan for overcoming unemployment which takes into account the opinion of the trade unions to a greater degree than previous steps of H. Schmidt's cabinet did. But nonetheless these plans are not basically class plans, for they are based on the postulates of "social partnership" which are unshakable for social democracy.

From our side let us also note such a circumstance which is so important for the social democratic policy of "control of the crisis" as the objective situation in the national system of the GMR. For example, Austrian socialists have been more successful than their colleagues in other countries in localizing unemployment and inflation, not least of all because of the special structure of the Austrian economic mechanism (primarily a high level of nationalization) within whose framework they could maximally utilize levers of state monopolistic regulation. Nonetheless the Socialist Party of Austria did not become an exception among the other parties of Western Europe which at the beginning of the 1980's lost their previous political position; in Austria too the economic crisis, although not to the same degree as, for example, in the neighboring FRG, still planted the "grain of doubt" in the ranks of the social democratic electorate.

A comparison of the theoretical developments and the practical activity of social democracy during the period of the crisis upheavals of the middle of the 1970's and the beginning of the 1980's made it possible for Marxist researchers to draw a number of conclusions which, in our opinion, are extremely important. Thus, according to B. S. Orlov, under the conditions of the present crisis social democrats are considering the successful functioning of the capitalist economy as one of the main ways for reducing unemployment and conducting a policy of "minor" social reforms. The other side of the "theory-practice" problem was singled out by Yu. A. Zhilin: reformist ideology itself does not take the economic and social policy beyond the framework of capitalism. Social democracy cannot provide any special answer to the crisis which is inherent only in it, also because it is operating within the framework of the complicated "freedom of actions" of objective conditions. Among these Yu. A. Zhilin pointed out the crude economic and political pressure of American imperialism on Western Europe and the prevalence of conservative elements in the governments of the majority of capitalist countries. The fact that the

anticrisis policy of social democracy reflects the objective contradictions which it is not capable of resolving was also noted by M. A. Neymark. In his words, the traditional Keynesian models of economic development on which social democracy has previously relied, now no longer "work." And it has no other integrated model. At the same time, being the reformist part of the working class, it cannot in all cases borrow the conservative strategy for emerging from the crisis.

The latter remark leads researchers right up to revealing that mobile boundary which exists with completely natural differences in all countries of Western Europe without exception where there are social democratic and bourgeois conservative parties: with respect to the concrete political course under the conditions of the crisis the boundaries of the "two reformisms"--social democratic and conservative--diverge along the line of "Keyensianism" and "monetarism." If the social democratic neoKeynesians are oriented toward the state and its regulatory functions, the conservative "monetarists," hoping for self-regulation of the market, rely on monetary circulation.

Shying away from these circumstances, Marxist scholars expressed at the symposium the opinion that so far social democracy was still unable to give in practice alternatives to "monetarism." As candidate of economic sciences K. G. Kholodkovskiy (IMRD AN SSSR) noted, one cannot consider this alternative to be either the course of the socialists of Austria who are operating under special conditions or the socio-economic course of the French socialists. Another circumstance of an objective nature was emphasized at the symposium: although the appeal of social democracy to move away from the right wing conservative course of the bourgeois governments has still not been confirmed by practice, nonetheless it contains within itself not only an element of the tactical struggle, but also peculiarities of an essential property. Developing this idea, Yu. A. Zhilin pointed out that both for the present and for the future of the masses of workers, for their immediate interests and their future goals, it is certainly not a matter of indifference which state socio-economic policy they are dealing with. On the theoretical plane there is the absolutely correct thesis that two methods of the ruling class (repressive-conservative and liberal-reformist) in the final analysis pursue the same goal--strengthening capitalism. Nonetheless, under the conditions of the increasing struggle for one path or another to emerge from the crisis, it is incorrect to be limited to this statement, even taking into account the fact that the alternative to conservatism is certainly not revolutionary, but social reformist. This question is of great practical political significance for the strategy and tactics of the modern stage of the communist movement, emphasized Yu. A. Zhilin.

It is obvious that during a period of crisis the bourgeoisie are not indifferent to the question of who conducts the economic policy and how. In this connection, let us take note of the opinion of V. Paff. As the events in West Germany have shown, he stated, the monopolistic bourgeoisie preferred not the social democratic, but the conservative variant of overcoming the economic

difficulties which was more acceptable to it because of class reasons. It is precisely pressure from the right that can explain the change in power in the FRG; the desirability of this was discussed directly in the declaration of the Association of Entrepreneurs of 8 September 1982.

Those who gathered at the symposium noted that the aggravation of the general crisis of capitalism also deepened the lack of coordination in the theoretical and practical spheres which is permanent in social reformism, and it also aggravated the internal contradictions in the environment of social democracy and its proponents. In the area of theory, it was noted in a number of the comments, there is an obvious crisis of the future which was engendered by the breakdown of the model of the "state of universal well-being."

As for the internal contradictions, they are also quite obvious. Now, A. A. Galkin stated, social democracy has to think about how to preserve the mass base of its movement and bring back those parts which moved to the left or to the right, and how to determine its new relations with mass organizations, primarily trade unions, and restore its influence on youth which has weakened in recent years.

Among the internal contradictions of social democracy one must also undoubtedly include the recent more heated disputes among various ideological currents in the parties that are members of the Socialist International. These disputes were originated by the same ideological and political crisis that has been discussed above. Noting this case of such obvious differentiation, doctor of philosophical sciences S. I. Velikovskiy (IMRD AN SSSR) pointed out the fact that in essentially all of the largest national detachments of the Socialist International, the period of the insurmountable profound economic crisis is also a time of certain intraparty demarkations, particularly the consolidation of the left-center and simply left wings. To prove his thesis, S. I. Velikovskiy gave the example of the FSP, where in the spring of 1983 the leftists renewed their fervent activity. Let us note that this situation was interpreted somewhat differently by candidate of jurisprudence R. F. Matveyev (IML under the CPSU Central Committee). In his opinion, the processes taking place here are not so much a struggle between the "right" and "left" wings, as a strengthening of the positions of the "center." Thus not only the "leftist" J. P. Chevenman left the French government; at the same time the "rightist" M. Rocard was also deprived of an influential post. Thus in the FSP the positions of the "center" following F. Mitterrand became stronger.

The discussion at the symposium of the problem of "the crisis of capitalism and social democracy" made it possible, with certain divergences into details of the analysis which are quite natural for the creative process, to reveal the general opinion of its participants, which can be formulated as follows: the crisis has taken social democracy unawares and forced it to reorient itself in terms of a whole number of ideological and political positions; this, however, has not changed the specific nature of social reformism which continues, as in the past, to take into account the inherent needs of its mass base only to the degree to which they do not go beyond the "limits of possibilities" designated by reformism for the capitalist society.

The correspondence between the present phase of the crisis of the capitalist economy and the growth of the military danger which is engendered by military preparations which are unprecedented in their intensiveness does not seem to be an accident. Here the crisis disorders have been deepened precisely by the arms race, which has removed an important proportion of material and human resources from the process of restoration of the economic life of the West. In this situation social democracy, apparently, must select between the forces of imperialism, which have strived to raise the level of militarization, and the peace-loving course of the countries of socialism, and also those social movements of the capitalist world which have occupied a fairly clear-cut anti-militaristic position.

It was noted in the comments of the symposium that objectively social democracy is not interested in raising the level of military preparations. Being by nature a reformist movement, it proceeds from the idea that the path to "democratic socialism" depends completely on the material possibilities of conducting the transformations that correspond to its doctrines and on a peaceful foreign political climate. This is precisely what explains the certain contribution of social democracy to the detente at the end of the 1960's and the middle of the 1970's.

Considering in greater detail the reasons for the departure of social democracy from positions of the "cold war," A. A. Galkin noted that in the 1940's and 1950's the parties that were members of the Socialist International, especially from countries that were part of NATO, ended up in secondary roles, and were crowded out by conservative bourgeois forces. The latter managed to do this precisely in a situation of war psychosis engendered by the "cold war." But being closely related to the broad masses of workers, social democrats were able to make those strides in the direction of weakening international tension which have been noted in the moods of the society of capitalist countries in the 1960's. Promptly taking these changes into account, social democrats managed by the beginning of the 1970's to consolidate their political positions, to a certain degree crowding out conservative proponents of detente from the levers of power. Finally, being primarily a Western European political force, by its separation from the imperialist policy social democracy also reflected the need of the Old World for a greater degree of freedom from the course of the United States, while still remaining within the framework of the overall "Atlantic" strategy of the West.

The special difficulties that are currently being encountered by social democrats have been conditioned, in particular, by the fact that the course of this movement toward detente at the end of the 1960's and the middle of the 1970's did not go beyond the framework of the bourgeois liberal approach to international relations, the more so since in the United States themselves a tendency prevailed toward a certain weakening of the confrontation with real socialism. The situation looks different at the beginning of the 1980's when the aggressive force of the Reagan administration, supported by European conservatives, made it necessary for social democracy to define its positions more clearly.

A certain answer to the question of the current orientation of social democracy is provided by the latest documents of the Socialist International and, in particular, the Summary Resolution of the 16th Congress, whose foreign political aspects have been analyzed by Yu. A. Zhilin. On the whole this document, like the documents of the Socialist Internationals of past years, shows the contradictory positions of the Socialist International in terms of the cardinal issues of international life along with a certain positive evolution regarding certain particular foreign political problems.

In the opinion of Yu. A. Zhilin, the error in the emphases made by the Socialist International consist in that they are shifted in the direction of the far-fetched concept of two "superpowers"--the USSR and the United States. Speaking about some "equal responsibility" of these countries for whipping up international tension, social democracy not only bypasses, but also camouflages the essential opposition of their courses. On the other hand, the Socialist International comes out fairly decisively in favor of the achievement of concrete results in the disarmament talks, and has rejected limited nuclear war as a groundless concept. In general, the analysis of the situation that exists in the world in connection with the arms race which is given in the aforementioned document causes no objections in terms of many points. But the attempt on the part of the Socialist International to assign responsibility for this condition equally to the USSR and the United States is false. Another thing is obvious: the Socialist International does not wish to recognize that in terms of the essence of a number of problems of limiting the arms race, its position has objectively approached the one suggested by the socialist community. Thus, the Socialist International continues to be influenced by its backward heritage of anticommunism and the desire not to depart from the course of the United States regarding certain issues.

The decisions of the Socialist International reflect the contradictions which exist regarding questions of disarmament among various parties that are members of this organization, and also how critical the international situation is. Proceeding from this factor, L. Grzal, a corresponding member of the Czechoslovakian Academy of Sciences, and head of the division of the Institute of Marxism-Leninism under the Central Committee of the Communist Party of Czechoslovakia, pointed out the attitude of individual members of the Socialist International toward the documents that were adopted by this organization in the 1980's. For example, the report of the commission headed by K. Sors, devoted to the problem of disarmament, was adopted at the 15th Congress in Madrid (November, 1980) without any objections. The reason, in the opinion of the Czechoslovakian scholar, was that the international situation had not yet become so critical as it was in subsequent years. On the other hand, the higher level of military preparations of the West by the time of the next Congress in the spring of 1983 clearly influenced the attitudes of individual parties. Among those who held almost diametrically opposed positions regarding disarmament, L. Grzal singled out representatives of the FSP, on the one hand, and the SDPG, on the other. It was as though these two parties had changed places recently, which obviously affected their attitudes towards

specific problems of the military policy. Taking up the opposition, the SDPG was less attached than before to the "dual" decision of NATO (of December, 1979). On the other hand, having taken over power, the FSP occupied a much more "pro-Atlantic" position than it did in the 1970's.

The factors influencing the foreign political positions of one party of another of the Socialist International were discussed by A. A. Galkin. Like L. Grzal, he noted as a decisive factor the degree to which social democracy had taken over power or occupied the opposition. A. A. Galkin pointed out that in those cases where the social democratic party is the governmental one, and especially when it bears basic responsibility for the policy of the government, its foreign political stances are determined to a considerable degree by its role as the "manager of the affairs" of the bourgeois state, particularly by the fear of the possibility of extremely aggravating its relations with the main force of the capitalist world--the United States. In this situation social democracy acts circumspectly with respect to its political allies. Entering the opposition somehow liberates the party from the limitations that are placed on it by external circumstances.

Yu. A. Zhilin singled out such a circumstance, which appears paradoxical at first glance, as the "exchange of places" in the positions regarding questions of military detente among the parties that were traditionally considered left, and those who in terms of many other issues occupied and still occupy the right flank. Above all, Yu. A. Zhilin noted, the very distinction between the "northern" social democrats and the "southern" socialists is quite conventional and belongs rather to history than to modernity. The latter, not having such traditionally stable positions in their countries as the social democrats and laborites of Western Europe, are more subject to the fluctuations which also extend to the sphere of foreign policy. As a result, regarding questions related to the NATO military policy, the "southern" parties are more aligned with Washington than the "northern" ones are. This alignment is a kind of "insurance payment" to make sure that the transoceanic partner will not bring down sanctions for "leftism," for one degree or another of interaction with communists. This is also a kind of "payment for courage"--to criticize, without any special risks, incidentally, Washington's more adventurous actions in individual regions of the world. Finally this involves a kind of self-certification of loyalty to the main capitalist power--in order to obtain room for maneuvering in certain areas and certain issues which the leaders of the "southern" socialists consider their own priorities. Obviously, this description of the international course of the specialists of Southern Europe is extremely schematic, and abstracted from certain national differences among the parties. Yu. A. Zhilin said that time will undoubtedly clarify and possibly also correct what has been presented above.

Participants in the symposium concurred in the opinion that recently one of the factors that influences to one degree or another the attitude of social democracy toward the problem of disarmament is such a form of action of the masses as the antimilitary movement. Those who spoke showed the complexity and contradictory nature of the interrelations among these important forces of the Western European political spectrum.

In the opinion of K. G. Kholodkovskiy, the attitudes of social democrats to antiwar movement have been uncontrolled up to this point. Thus, social democratic parties which in countries like Great Britain, Belgium and The Netherlands are most closely related to them have undergone more or less appreciable defeats in the latest parliamentary elections. K. G. Kholodkovskiy thinks this is even more strange since in the ranks of the antiwar movement there are primarily representatives of those segments to which social democracy is now turning most actively and on whose inclinations electoral successes depend. And this is explained simply: the antiwar movement has attracted only the most active, the most politicized part of the new middle classes. The antiwar movement is excessively radical for most of them.

Candidate of historical sciences V. Ya. Shveytser (IMRD AN SSSR) drew the attention of participants in the symposium to the new "volte-face" with respect to the antiwar movement, which at the beginning of the 1980's was manifested not only in the statements of individual social democratic activists, but also in the documents of the Socialist International, primarily in the Summary Resolution of its 16th Congress. In the first lines of this it is stated that social democracy sees hope for peace in the fact that the "growing awareness of a possible disastrous end has contributed to the mobilization of tens of millions, primarily youth, for searching for peace by means of disarmament..." This was the first time the Socialist International expressed so clearly its approval of the antiwar movement which, in the 1940's and 1950's was defamed by social democracy as "procommunist," and in the 1970's was degraded because of its supposed small influence on the destiny of the world.

Naturally, the passage presented above is, like everything adopted at the congresses of the Socialist International, the fruit of compromise. Therefore it seems necessary to analyze the regional specifics of the attitude of social democracy toward the antiwar movement, taking into account primarily such a circumstance as the foreign political orientation and the degree of involvement in the process of militarization of one country or another where the corresponding social democracy is in operation. Further, it is extremely important whether the social democratic power is in power or in opposition. Nor could one forget about the breakdown of forces into one party or another and the activity of right wing or left wing socialist trends, respectively.

The first of the aforementioned factors is manifested most clearly, on the one hand, in neutral Sweden and Finland, where the antiwar movement enjoys the support of the leadership of the corresponding social democracy. On the other hand, the active role of the Italian socialist party in the process of "completing the army" of NATO, and also the block that is formally independent of this but actually serves the common "Atlantic" interests and the militaristic policy of the FSP largely explain the negative attitude of socialist leaders of these countries toward the national movement of proponents of peace.

If one considers the problem from the standpoint of "criteria of power," the changes for the better in the SDPG are self-evident. After going into the opposition it clearly became more favorably inclined toward the fighters for peace in the FRG. On the other hand, the governmental responsibility of Spanish socialists had a negative influence on their attitude toward the anti-NATO movement which, incidentally, it headed when it was in the opposition. As for the intraparty factor, one is struck by the close interconnection between the withdrawal of the right from the labor party in Great Britain and the broad support of the "left center" leaders of the labor party in various detachments of the British antiwar movement.

Participants in the symposium, having touched upon the aforementioned problematics in their papers and comments, were unified in that one or another evolution of the foreign political course of social democracy will depend largely on the tendencies in the development of the mass movement of proponents of peace. Further advancement of the antiwar movement will obviously help social democracy to occupy more decisive positions in the struggle for universal disarmament and will put into effect that "potential peace" which social democracy has accumulated during the years of detente. And, conversely, a decline of the antimilitaristic activity of the masses will strengthen the "pro-Atlantic" tendency which will bind social democracy even more tightly to the course imposed upon the West by the Washington administration.

Questions of the interrelations of communists and social democrats are related both to the problem of the economic crisis and to the statement, on the broad plane, of the problem of the military threat. For the disclosure of both negative and positive aspects in the actions of social democracy regarding the given issues contributes to solving the key problem of the labor movement--the restoration of the unity of its ranks in the future.

Giving a general analysis of the situation that arose in the 1970's and the beginning of the 1980's, D. Dimitrov, senior scientific associate of the Institute of History of the Bulgarian Communist Party under the Central Committee of the Bulgarian Communist Party, pointed out the understanding of a certain part of the leftist forces of the labor movement of the need and possibility of unity in their actions, which led to certain more or less positive results. Contacts among communists and social democratic parties expanded on the national and international levels. Joint discussions of the most important problems of modernity became more frequent. It became fairly common to have joint participation of communists and social democrats in broad international forums. As one of the pieces of evidence of this one can point out the presence of representatives of about 20 parties that are members of the Socialist International at the conference devoted to K. Marx that was held in April of this year in Berlin.

In D. Dimitrov's estimate, parallel of joint actions began to be taken more frequently and there was more cooperation in trade union and other mass organizations and in movements of the public, in local authority agencies, in

parliaments, and, in certain cases, even in governments. The Bulgarian scholar emphasized that it was primarily the consistent policy of the communist parties toward cooperation with social democracy and toward the solidarity of all leftist, progressive forces that contributed to all this.

Proceeding toward cooperation with social democracy, communists view seriously the existing principal ideological differences--this idea was traced in the comments by many participants in the symposium. In particular, G. Massora pointed out that communists must always strive to combine energetic criticism of concepts and doctrines that are alien to Marxism with a dynamic policy of searching for alliances and agreements with social democracy. Yu. A. Zhilin emphasized that the CPSU, cooperating with social democracy on the problem of overcoming the military threat, takes into account that in its ranks there are many of those who arrange all their activity around anticommunism and anti-Sovietism. Therefore it is necessary to give a severe and prompt ideological rebuff to the attacks by a number of activists of the Socialist International on the domestic and foreign policies of the socialist countries.

Affirming a certain change for the better in foreign political positions in social democracy, Yu. A. Zhilin drew attention to the fact that the virus of anticommunism is still eating away at this movement from within, including in such a serious question as the struggle for peace. Concretizing this theme, let us point out from our side the attempts of some of the leaders of social democracy to impose on the antiwar movement a false idea of the movement of proponents for peace in the socialist countries. In the ranks of social democracy there have been attempts to stimulate the antiwar movement for supporting those forces in the countries of socialism which under the guise of "fighters for peace" could act against the foundations of the political system that has taken form there. Nor is there any weakening of the desire to cause communists of Western Europe to doubt the convictions about internationalist principles of the international communist movement.

If the problem of cooperation of communists and social democrats and the question of struggling for peace is, perhaps, the most traditional, dialogue, and partially also mutual assistance in problems arising from the economic crisis, still requires a certain amount of theoretical interpretation. And this was discussed in a number of the comments by participants in the symposium.

Yu. A. Zhilin emphasized the existence in the anticrisis program adopted by the 16th Congress of the Socialist International of a number of points which could be the subjects not only of criticism, but also of dialogue for communists. For his part, M. A. Neymark pointed out a certain antimonopolistic potential of the anticrisis points of a number of parties or individual trends in social democracy which can bring together the positions regarding the given issue of both detachments of the labor movement. R. F. Matveyev, having noted the divergence of many anticrisis points of the communists and socialists, at the same time pointed out the transformations of a progressive nature which have been carried out by the government of F. Mitterrand, which were supported by the FKP. At the same time the experience of the labor movement of today's France can be given a fair evaluation only after a certain amount of time passes.

An important field of joint or parallel actions of communists and social democrats is the broad zone of the national liberation movements. In particular, these are countries of Central American and the Caribbean basin where today there is a keen struggle among revolutionary patriotic forces that are supported by leftists of other regions of the world and military dictatorial regimes that rely on the United States. In his speech, G. A. Massora convincingly revealed the essence of this problem. Communists of Central America on the whole have a positive estimation of the support that is rendered by the Socialist International to the liberation forces of the region. It is precisely here that there is the sharpest encounter of the interests of the United States and international social democracy. To a certain degree social democracy has been forced to constrain its own voice, for the logic of events forces it to actions which objectively contribute not to a reformist, but to a revolutionary outcome.

It is obvious that the prospects of dialogue and of joint or parallel actions of communists and social democrats regarding a broad group of international and certain intrapolitical problems are becoming more visible with careful accounting for the prospects of the development of the social democratic movement itself. Participants in this symposium expressed a number of ideas regarding this.

Thus attention was turned to the need for predicting concrete actions of the Socialist International, proceeding from a clear idea of the internal mechanics of this organization. On the one hand, Yu. A. Zhilin noted, the decisions of the Socialist International are not directives and not even the unified will of international social democracy. On the other hand, these decisions are kind of a barometer of the reformist part of the labor movement, an indicator of the attitudes in the social democratic elite, and also of the tendencies in the development of these attitudes.

Speaking of the prospects of social democracy in the matter of its solutions to the problems generated by the crisis, participants in the symposium also made, in our opinion, a number of remarkable observations. Y. Khusar (Hungary) noted the vitality of the social reformist adaptability to economic processes in the capitalist world which, in particular, opens up for social democracy the prospects for further maneuvering among the interests of labor and capital. A similar viewpoint was expressed by the Czechoslovakian scholar Y. Chmeyrek (IML of the Central Committee of the Communist Party of Czechoslovakia). Even under the conditions of the deepening crisis, possibilities are opening up for social democracy to carry out in parallel two of its inherent functions--that of the modernizer of capitalism and that of the realizer of the current interests of the workers. B. S. Orlov also discussed a kind of "buoyancy" of social democracy. It is also manifested in the striving to find new ideological reference points and in the desire to adhere to a policy of socio-political reforms and adjusting it with respect to the situation.

S. I. Velikovskiy pointed out the prospects of processes of differentiation which exist both in the Socialist International itself and in the parties that are members of this organization. In this connection it was noted: the greater or lesser ideological and political disagreement which, within certain limits, has manifested itself within social democracy, having to do with the electoral body which is extremely varied in its composition, is one of the guarantees of the viability of this reformist movement both in the height of capitalist crises and in the quietude without crises.

The experience of the symposium, "The Crisis of Capitalism, Military Danger and Social Democracy," conducted in the IMRD AN SSSR, like the meetings of Marxist scholars held before this, shows the obvious advantage of these forums. Researchers from the socialist countries have advanced significantly in recent years in the matter of studying these important political phenomena of the capitalist world and the new tendencies in the international labor movement and in its various detachments.

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STRATEGY, TACTICS OF STRUGGLE FOR PEACE AND DISARMAMENT

Moscow RABOCHIY KLAS I SOVREMENNYI MIR in Russian No 5, Sep-Oct 83 pp 168-170

[Article by Andreas Felske (GDR): "The Struggle for Peace and Disarmament: Strategy and Tactics" (Article prepared on the basis of the statement of V. Paff published in this issue of the magazine)]

[Text] The Institute for Research on Problems of Imperialism of the Academy of Social Sciences under the SEPG [Socialist Unity Party of Germany] during 17-18 March 1983 conducted an international colloquium on the subject "The Struggle for Peace and Disarmament in the Strategy and Tactics of the Revolutionary Labor Movement." The director of the AOM [Academy of Social Sciences] under the SEPG Central Committee, Professor O. Reinhold, opening the meeting, pointed out that this colloquium will be part of a series of scientific measures conducted by the Academy of Social Sciences in connection with the year of that great son of the German people, Karl Marx. O. Reinhold emphasized four decisive conclusions of Marx: first, wars have class causes and it is necessary to reveal the essence and causes and to indicate the parties guilty of the danger of the appearance of war; second, the international principle of socialism is peace; third, the working class, as the decisive force in the matter of preserving peace, must defend peace in places where aggressive circles are calling for war; fourth, the masses of workers, in places where they have achieved power, must do everything possible to defend this power.

The speaker went on to point out that Marx and Engels were unable to foresee the fact that socialism would initially be victorious in one part of the world, and the result of this would be a relatively long period of opposition and coexistence of the systems of socialism and imperialism. A great achievement of the socialist community, and primarily the USSR, was the establishment of military strategic balance between the two social systems. Its existence is a decisive condition for ensuring peace at the present time.

The first paper at the colloquium was given by Professor V. Paff, director of the Institute for Research on Problems of Imperialism.

The first to enter into the discussion was the director of the Institute of International Politics and Economics, Professor M. Schmidt (Berlin, GDR), who devoted his statement to problems of the sources and the motive forces of the course toward confrontation and the specific features of imperialist aggressiveness at the present time. He said that the sources of the aggressiveness lie in the state monopolistic system of management and that therefore it is necessary to investigate more deeply the subjective factors in the ruling circles of the monopolistic bourgeoisie, the imperialist military doctrines and the technical aspects of modern armament.

Since the middle of the 1970's the United States has been holding political discussions regarding how the ruling circles should react to the changing international situation. In this respect the strategic plans of the Reagan administration, based on the possibility of the United States conducting a nuclear war and winning it, are the most reactionary response to the changing situation, which becomes especially dangerous because of the military and technical base that has been created for these plans, including qualitatively new weapon systems.

Professor A. M. Markov (Academy of Social Sciences under the CPSU Central Committee) emphasized in his speech that the problem of preserving peace is the most important of the global problems facing mankind. For the international labor movement the struggle to preserve peace is the most important task of modernity. At the same time he noted that the international labor movement should devote more attention to the problem of the sources of raw material and energy, and also to protection of the environment, since these also involve important political decisions. This is proved by the present day conflicts in the Near and Middle East, whose essence is primarily the redistribution of sources of raw material in the interests of the most powerful imperialist powers. The environment is threatened because of the plunderous exploitation which is being exacerbated more and more by the ever-increasing arms race of the imperialist circles. Hence there ensues the need for close interaction between the labor movement and new social movements such, for example, as the ecology, youth and women's movements.

P. Trigatsis (member of the Central Committee of the Communist Party of Greece) recalled the long traditions of the very idea of peace which go back to ancient Greece. But the scientific answer to the question of the causes of war was given for the first time by the founders of scientific socialism. He went on to point out the significance of the Mediterranean region, in which Greece is also located, since here are the crossroads of three continents to the sources of raw material and petroleum, and the United States has declared it a "sphere of its vital interest."

S. Leroux (French Communist Party, deputy of the West European parliament) centered her speech around the distinctive features of the present day struggle for peace. She thinks that conditions exist for reducing the current tension if the people make the cause of peace a vital issue. In this connection she noted the coordinated positions and the joint initiatives for ensuring peace of social democratic, socialist and communist delegates of the parliament of the European community and the worldwide nature of the actions

for peace. She went on to point out the role of the movement of nonaligned countries in the struggle for peace and also emphasized the growing response in Western European countries to peace proposals for disarmament that have been advanced by the Soviet Union and other socialist states.

Professor M. K. Bunkina (USSR, Institute of Social Sciences) said that one of the objective sources of the modern antiwar movement in imperialist countries is the socio-economic burden of the workers, which is constantly growing because of the inflated military production. She went on to draw the attention of the audience to the circumstance that it is necessary to have a more precise scientific analysis of modern forms of the development of state monopolistic capitalism and the special role of the military industrial complex. The present day course of confrontation of the aggressive circles of the United States with respect to the socialist states and the related attempt to introduce "discipline" into the group of their allies have led to a strengthening of the contradictions between the United States and Western Europe regarding the question of East-West relations. As of today this question has become one of the main ones for imperialism.

P. Dietzel (German Communist Party) expressed certain ideas regarding the analysis of the current situation in the FRG. The emergence from the governmental crisis in March 1983 was marked by a shift to the right, but the movement for peace came out of the elections strong and effective. In this connection he pointed out the significant democratic potential in the FRG and emphasized the need to enlist workers at large enterprises in the movement for peace.

Professor Reissig (Academy of Social Sciences under the SEPG Central Committee), having expressed certain considerations regarding the form of development of the GMK [state monopoly capital], emphasized that for the opposition of the systems it is important what forces are discovered in the structures of the GMK in the 1980's and the ones with whom socialism will finally have to deal.

H. Kurzendörfer (Socialist Unity Party of West Berlin) noted that in West Berlin the movement for peace has become considerably stronger and its militant power has increased. As an example of measures of recent times he gave, among others, the conference entitled "Science Between War and Peace," which was held in January 1983 in which about 150 scholars from 15 countries participated, and also the "Berlin Appeal for Peace," which was published in March, 1983. He went on to emphasize the close link between the arms race and the cutting off of allocations in the social area, which creates possibilities for the trade union movement and the movement for peace to come together gradually.

W. Windishbauer (Communist Party of Austria) recalled in his speech the empirical sociological research, according to which in 1982 about 58 percent population of Austria recognized the danger of the cause of peace as compared to 9 percent in 1978. This clear-cut change in the social awareness took place primarily under the influence of the growing movement of the struggle for peace.

Jon Takman (Labor Party--Communists of Sweden, member of the politburo) reported on the activity of the movement entitled "Physicians for Preventing Nuclear War," which was founded in Geneva by three American and three Soviet Physicians. During the past two years numerous national organizations have appeared, including in all the socialist countries; today this movement includes more than 3000 members.

Professor Yu. A. Vasil'chuk (World Federation of Trade Unions) discussed the contribution of the World Federation of Trade Unions to the present day struggle for peace. In the foreground of the trade union struggle is the solution to the unemployment problem. In history there are sufficient examples of a reactionary solution to this problem through wars. Today it is necessary to develop national programs for solving this problem so as thus to prevent another war.

Professor I. K. Pantin (IMRD AN SSSR) discussed certain ideological aspects of the antiwar movement. Since the movement for peace combines various forces--women, youth, Christians, Catholics, social democrats, communists and pacifists--there must be further development of the Marxist theory of the ideological struggle of the communists. He emphasized that the attitude toward pacifists must be revised again. It is necessary to step up the work with pacifists in such a way as to emphasize the idea of the inapplicability of any military force, and particularly atomic weapons, and also to explain to them the real reasons for the existing danger of the appearance of war.

H. Bonk (AON under the SEPG Central Committee) emphasized that the essence of state monopolistic capitalism is its aggressiveness. At the same time, the new conditions in which imperialist states exist at the present time, the new world historical factor of the existence of the world socialist system, the new level of opposition of the working class in imperialist states, and also the development of general democratic and general humanitarian movements exert a decisive influence on the concrete policy of the GMR. It is necessary to utilize those interests of the ruling circles of imperialism which have to do with peaceful coexistence.

J. Reusch (Institute for the Study of Marxism--Frankfurt Am Main, FRG), discussed certain ideological aspects of the movement for the struggle for peace in the FRG. He emphasized that for the communist party one speaks primarily of winning greater influence among the masses and coming out decisively against distortions of the facts by bourgeois propaganda which presents NATO as an angel of peace and the countries of the Warsaw Pact as the inciters of war. He came out decisively against an "intermediate decision," since this can be used to undermine the demands of the movement for peace and attempts are being made to gradually accustom the West European population to allowing the placement of missiles there.

R. Bach (AON under the SEPG Central Committee) discussed the participation of youth in the movement for peace which encompasses the entire world and noted that it is distinguished by greater breadth of the world view. He named three

causes for the present upsurge of the movement for peace among youth: first, youth have always had to sustain the greatest sacrifices in preceding wars; second, imperialist programs for the "regimes of economy," the main reason for which is the arms race, impede the development of youth; third, the interest and desire for peace among youth is so strong because the youth embody life itself.

J. Ren (Communist Party of Luxembourg) noted as another sign of the modern movement for peace its broad and differentiated composition, and in this connection drew attention to the significance of the historical tradition for the struggle for peace in the labor movement.

B. Ye. Zaritskiy (Institute of Social Sciences, USSR) discussed certain technical and technological aspects of today's acceleration of the arms race. Under the conditions of the scientific and technical revolution, there is an ever-increasing disparity between the development of the latest military and technical systems and the existing possibilities and measures of control. Hence it follows that the concrete basis of negotiations regarding disarmament between the two military blocks should be the principle of equal security. A very important factor in the struggle for an enduring peace is the inclusion in the disarmament talks of all countries that have nuclear weapons.

K. Franke (AON under the SEPG Central Committee) noted that the problem of the imperialist aggressiveness of imperialism arises in a new way today and is distinguished, first, by the fact that the goal of the imperialist policy today goes beyond the limits of "containment" or "abandonment," today it is directed toward complete elimination of socialism; in the second place, the imperialist policy today is no longer simply global, its expansion extends also to space, which in turn requires that the movement for peace expand its demands from "zones free of atomic weapons" to "a nonatomic cosmos"; and third, the complex of means and methods directed toward the destruction of socialism and the national liberation movement have assumed a new measurement.

In his concluding word, Professor H. Petrak (AOM under the SEPG Central Committee) noted the success of the colloquium and said that this measure showed that we are theoretically and practically in the struggle for peace, and also where we must move in subsequent investigations and in the practical struggle. A central position was occupied by the question of what the decisive new quality of the modern situation is. In order to describe it, it is necessary to investigate further the cycle "market conditions--crisis--war," which in the imperialist stage has already come full circle twice, so that it will be possible to determine correctly the strategy and tactics in the struggle against a third turn of this cycle. To do this it is necessary to reveal even more profoundly the connecting and transferring mechanisms between the cyclical and the general crisis. In this connection, more attention should be devoted primarily to intensive, and also to extensive forms of expanded reproduction, that is, the development of imperialism in depth and correspondingly in breadth.

Referring to modern American concepts, he noted that their goal is the formation of a "fatal triangle": United States--Western Europe--Japan. But the concrete situation is different in each of these three centers. As of today there are three basic dangers for the very foundations of the existence of mankind: these are, first, the indifference of capitalists to man, who interest them only as an object of exploitation; second, the threat to the natural foundations of the process of exchange of substances between society and nature, which is the pivotal point of the ecological crisis; and third, the danger that exploitation of man by man will end up in the extermination of man by man. Three movements have been organized against these three dangers: the trade union movement, the movement for protection of the environment and the struggle for peace. The task is to indicate their identical sources in order to combine these movements in the practical struggle and to concentrate the struggle against the main danger--the transformation of a crisis into a war.

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BOOK ON EASTERN COUNTRIES AFTER REVOLUTION REVIEWED

Moscow RABOCHIY KLASS I SOVREMENNYI MIR in Russian No 5, Sep-Oct 83 pp 175-179

[Review by S. N. Alitovskiy of the book "Revolutsionnyy protsess na vostoke. Istoriya i sovremennost'" [The Revolutionary Process in the East. History and Modernity], ed. by R. A. Ul'yanovskiy, head of the collective of authors M. A. Persits and A. B. Reznikov, Moscow "Nauka," 1982, 389 pages]

[Text] The book under review is a collection of articles joined together by a common idea--to reveal certain key problems in the development of the revolutionary process in the East during the post-October epoch.

The main features of the national liberation movement, questions of the ideology of the anti-imperialist struggle, the origin and development of the communist movement in the region, the role of various classes in the revolutionary process, primarily of the entire proletariat and particularly of the peasantry--such are the leading subjects of the nine article-sections of the book. Historical and regional material in them is organically interwoven into the modern crucial problematic of the revolutionary process in developing countries of Asia and Africa, which also makes the collection like a monograph to a considerable degree. The collection more or less continues the previously published collection that was edited by Professor R. A. Ul'yanovskiy with their introductory articles,¹ where the subject was given fundamental theoretical-methodological, historical and historiographical development.

This collection too is opened with an article by R. A. Ul'yanovskiy ("Lenin on the National Liberation of Peoples of the East"). The author of the article shows the profound truth of Lenin's ideas, their permanent value, which is confirmed, in particular by their influence on the development of social thought and ideological trends in the Orient of today. Considering the revolutionary events in this region of the world in the post-October period and interpreting them on a broad theoretical plane, the author focuses attention on the crucial and complex problem of the nature and evolution of nationalism of oppressed nations and the attitude of communists toward this. Approaching nationalism as a historical category and as a phenomenon which is extremely heterogenous on the social plane, R. A. Ul'yanovskiy emphasizes that the attitude toward it should always be concrete, for nationalism itself has always been concrete.

It says in the article that modern nationalism "can become an implacable fatal enemy of imperialism," but it "can also be fanatical and cruel, knowing no pity for the workers who have been raised to social struggle (p 30). The article substantiates the need for the most clear-cut and conscientious attitude toward the democratic and revolutionary-democratic trends in the nationalism of oppressed nations, which is capable--in the form of their leading detachments--of proceeding gradually closer toward the ideology of scientific socialism.

Since the time of their formation the communist parties of the countries of the Orient have undergone a certain evolution in their attitudes toward the nationalism of oppressed nations, which has led them to a deeper understanding of the need to cooperate with the movements that represent them against the background of the overall struggle against international imperialism and to achieve an ideological rapprochement between the more progressive varieties and scientific socialism. As the interesting and important article by R. A. Ul'yanovskiy in the book helps us to understand, behind this lie radical changes in the development of the revolutionary process in the world during the post-October period, which has confirmed the universal nature of the basic patterns in the changeover of various countries and nations to socialism; the evolution of certain tendencies in nationalism are just as predictable as the changeover of a number of liberated countries to the path of socialist orientation which are ideologically expressed by the corresponding qualitative changes in nationalism.

A detailed analysis of the factors in the evolution of modern nationalism is contained in the article by O. V. Martyshin. In it he emphasizes the class limitation of nationalism, which is also manifested in the constant striving of bourgeois and petit bourgeois parties to utilize it in their own narrow interests. The evolution of nationalism toward socialism, the author suggests, is possible not as a unification of principles of two incompatible ideologies and not as an augmentation of one group by the other--say, in the form of outdated concepts like "national socialism"--but only as a crowding out of the former by the latter and "only on a revolutionary basis--both with respect to the fight against imperialism and in the area of internal transformations" (p 223). Still, the author recognizes as a great achievement of national democrats of the 1960's the fact that they managed to some degree to invest nationalism with progressive class content, to bring it closer to the interest of the masses of workers, and to limit its bourgeois nature (p 216).

Let us note that when interpreting this evolution of modern nationalism in the Orient one should see its vital historical links with the nationalism of the oppressed nations and the nature of its interactions with socialist ideology which is conditioned by this link. With all the class limitedness of modern nationalism, it contains a significant social potential and the ability to participate in the complex and contradictory process of the formation of a global anti-imperialist ideology in which history assigns a leading position to the ideology of scientific socialism.

Our ideas about modern nationalism are extremely concretized in light of the revolutionary events in Iran in recent years. On the ideological plane the Iranian revolution is a clear example of the religious form of nationalism or (in the definition of R. A. Ul'yanovskiy), "militant Islamic nationalism" with all of its internal contradictoriness and limitations in the social sense, caused to a large degree by the opposition of the two main tendencies--radical national and liberal bourgeois (p 27).

In his article entitled "Revolutionary Movements and Reforms in Iran," S. L. Agayev, who for the first time in Soviet Iranian studies has traced so deeply the historical roots of the Iranian revolution,² see the main economic cause of the revolutionary explosion in Iran to lie in the severe aggravation of the contradictions which have developed within the framework of the inclusion of the Iranian economy in the world capitalist management system: contradictions between modern developed capitalist sectors and traditional sectors. The great disparity in the levels of these sectors, which was increased by the shah's reforms, merged into a sharp confrontation of the social and class forces that stood behind them. It is precisely this circumstance, in the author's idea, that determines the "basically bourgeois-democratic nature of the present stage of the Iranian revolution." Additionally, the author reveals a certain connection between the revolution in Iran and "those modern anti-imperialist revolutions which developed on the ideological and social basis of various kinds of 'national socialism'." This link is interpreted as an expression of "subjective popular anticapitalism of the peasant and especially the 'depeasantized' masses of the population (p 305).

But one cannot but see the historical necessity that is concealed behind this very connection, which is conditioned by the profound economic and social consequences of the country's colonial and neocolonial oppression. It is precisely the social factor embodied in the broad masses of people that frequently comes out on top and exerts a decisive influence on the development of revolutionary events, giving rise to the very possibility of the struggle to select the path of development. In the interesting article by A. B. Reznikov about the events of the two decisive months of the Iranian revolution, the broad masses of people--the proletariat, the peasantry, and the unclassified groups of the population--are characterized as the main active force. In the Iranian revolution, he writes, one is impressed by precisely the peasant and the closely related lumpen methods of struggle which were applied on a broad scale. The working class acted as the most organized and conscientious part of the people. And the role of the clergy, although very important, was limited. It gave the people the organization and the form of ideology which the people used to overthrow the pro-imperialist regime, to avert the danger of a military overthrow, and to attempt to create a popular regime and not a bourgeois democracy. But the clergy (not to mention its social conservatism) displayed indecisiveness at the very most responsible moments of the uprising. As for the national bourgeoisie, they occupied a defensive position before the onslaught of the masses of people. They, and not the bourgeoisie or the clergy, in the author's opinion, played a decisive role in the victory of the revolution.

The experience of the Iranian revolution deepens our ideas about the social sources of anti-imperialist nationalism, which, by its nature, is far from being identical with bourgeois nationalism, which has other historical roots and is capable in certain situations of acting as a self-sufficient force which denies and suppresses tendencies of bourgeois development that are hostile to it. But the zig zags of the same revolution show that this force frequently turns out to be incapable of rising above the religious prejudices and obscurantism, easily being subjected to the influence of anticommunism, antisovietism and other modern reactionary trends, and it reveals its groundlessness in both ideological and political relations.

An outstanding place in the collection is occupied by the subject of the communist movement in the East. The historical situation has taken form in such a way that the communist ideology has penetrated into the East not through the struggle of the proletariat, but through the anti-imperialist struggle, through the surmounting of the nationalistic limitation with which the best representatives of the revolutionary intelligentsia have perceived it. In the former lies the power and at the same time the weakness of the modern communist movement, which is being felt up to this day. The article by M. A. Persits, which is filled with interesting historical facts and is deeply substantiated, in which he analyzes factors that have made it not only possible, but also inevitable that revolutionary democracies accept the socialist ideas about a radical transformation of the society, convincingly refute the favored version of vulgarized bourgeois sociological science regarding the "importing" of communist ideology to the countries of the East. M. A. Persits proves that the communist movement in the East is the result of an objective, natural--historical development, a predictable continuation of the presocialist movement that arose there.

The formation of the communist movement in the colonial countries in the East during the period after Great October and under its extremely strong influence is among the most important events in the development of the revolutionary process in this region of the world. The article by G. G. Kosach about the formation of the communist movement in the Arab East (Egypt, Syria, Lebanon) essentially augments our knowledge about the peculiarities of the initial period of the activity of communist parties and their role in the national liberation movement in the most responsible state of its organizational, political and ideological emergence. The most crucial political problem that was raised at the very beginning for young communist parties was its weak capability of coordinating the class interests of the forces they led with the nationwide interest. G. G. Kosach touches on perhaps the most widespread disease of that period, the "leftism" in the ranks of communists, which is most clearly manifested in the following: in theory--in the opposition of communism to nationalism, which they have perceived as only a bourgeois ideology which is hostile to the proletarian class; and in practice--in the actions that run counter to the interests of the creation of a unified anti-imperialist front. There are many explanations of the mistakes and loopholes in the strategy and tactics of the communist movement in the region at the beginning of its activity. But the main reason lies in the social environment

generated by colonialism, in the social nature of those classes and groups of the population of colonialized societies in which the communist movement found its proponents.

The articles in the collection about the role of the proletariat and the peasantry in the revolutionary process help us to understand better the predictable features in the development of the communist movement, and to delineate these features more clearly from subjective aspects. One of the complexities of the methodological plane that exists here is related to the determination of the nature of the economic structure of colonial societies.

This determination should serve as an initial methodological reference for analyzing the classes, their ideological and political movements, and their social role. Certain authors--some less and others, as, for example, Yu. M. Ivanov, more categorically--accept as the initial thesis the one about the economic structure of these societies as transformed bourgeois or early capitalist societies which are extremely burdened with precapitalistic remnants. This initial position forces them to regard social development through the prism of capitalist differentiation, which is far from completed but is leading to a polarization of the society into two main classes: the bourgeoisie and the proletariat (the bipolar schema). This arbitrarily conditions the development of the communist movement and all communist activity mainly through processes of capitalist differentiation (and the degree of its development), and not colonial development, in which the elements of capitalism can be present but not determine its nature.

Another methodological point lies at the basis of the analysis of the role of classes in the article by V. I. Glunin and A. S. Mugruzin, "The Peasantry in the Chinese Revolution."

There is really no need to speak about the exceptionally important role of the peasantry in the revolutionary events and the agrarian transformations in China or about the unusual uniqueness of its transition from traditional forms of life to modern ones. In their research the authors abstract to some degree the link between the Chinese countryside and the external world, concentrating attention on the concrete manifestations of traditionalism in the public image and the political behavior of the peasantry, and they investigate these more deeply than has been done up to this point.

In evaluating the typical indicators of the peasantry they proceed from a description of the agrarian structure of China as traditional, considering its most important structure-forming elements to be state institutions that have exploited the peasantry through taxes and duties, and the land owning class--the basis of their rent exploitation. Correspondingly the peasantry too is characterized as primarily traditional. Traditionality is the antipode of the petit bourgeois structure; that is, the Chinese peasantry is regarded as a nonpetit bourgeois class, and its political position in the revolution is regarded as fairly passive. The peasantry, in the opinion of the author, in its mass was "inert as a result of its objective position in the

system of the prevailing precapitalist relations in the countryside, and it was very difficult for the politically aware vanguard to enlist even the more excitable impoverished part of them in the national liberation struggle," that is, the KPK (p 161). In the revolutionary events of the 1920's and 1930's, the peasant segments regarded themselves as communities which defended the traditional norms of life and the guarantees of their existence as farmers.

Additionally, under the traditional covering the authors see the sharp qualitative changes in the peasantry that cast light on the nature and means of expression of their revolutionary nature, which was especially clearly manifested in the national liberation stage of the Chinese revolution in the 1940's. This, in the first place, was an all-embracing impoverishment of most of the peasantry, which was discussed as the "most important and clear feature" and, in the second place, the special character of its differentiation which is concealed under the traditional covering.

Having noted the existing actual priority of birth, clan, familial, religious and other such ties with respect to class ties, the authors come to the conclusion that the "most frequent and serious was the division of the countryside into the camps of the haves and have-nots, whereby the impoverished part rose against the rest of the rural population" (p 139). For differentiation of this kind it is typical to have not capitalist accumulation in the upper strata of the peasantry, but an unusual expansion--within class boundaries--of the sphere of precapitalist methods of exploitation, which involved as the subject not only the prosperous, but also the middle-class peasants, and even the poor ones who exploited as much as they could those who were even poorer. And the general social result of this process was, on the one hand, the changeover of an insignificant part of the peasantry to the category of the so-called landowners and money lenders, and on the other, the growth of the army of paupers and landless who were forced to make ends meet with kabala renting and random earnings from those who had more, to move into the cities or to emigrate.

Consequently, as follows from the authors' analysis, the source of revolution of the Chinese peasantry and the explanation of the means of its realization should be sought in the critical contradictions and the social conflicts that existed, however, not in their usual form but were hidden under the traditional covering and were suppressed and held down by it. This analysis helps to explain the peculiarities of the communist tactics of mobilizing the peasant inclinations toward revolution. The force of resistance of age-old traditions and the way of life dictated the application of unusual methods for mobilization which were capable of overcoming this force. One of these methods was the "left" tactics of relying on the impoverished strata, which was selected by the KPK and was actively carried out by it.

The complexity of carrying out these tactics consisted in that, although they were objectively conditioned by the very nature of the social processes in the countryside, since the main ones who directly carried them out were the impoverished paupers and lumpen elements of the countryside, they contained subjective sources for changing over to "excessive" leftism (example--the campaign of "settling scores" that was declared by the KPK at the beginning of 1946).

In light of the analysis conducted by the authors, it is not the "leftist" tactics, the only ones possible, that appear incorrect and dangerous, but the actions that come under the concept of "extreme" leftism. It is precisely these that threatened the unified front with collapse and even defeat in the civil war and forced the KPK in 1948 to curtail the "agrarian transformations," putting them off until there was a final victory over the Kuomintang.

"The history of the Chinese revolution," as V. I. Glunin and A. S. Mugruzin correctly pointed out, "is also the history of continuous searching for the optimal combination of its national and social tasks" (p 160). They emphasize that the revolution owes its success largely to precisely the "leftist" tactics. It is with the help of these that they managed not only to enlist the poorest segments of the peasantry in the national liberation struggle, but also to bring them under communist leadership at the head of this movement as the most widespread force and the national ally, particularly of the international proletariat.

The article touches upon a number of theoretical and methodological problems that pertain to all previously colonial and dependent countries (which also included China even with all the historical specificity of its internal and international position). In our opinion, the most important problem is the study of the forms of expression, under the specific conditions of each country, of the common typical features of colonial development in one sphere of social life or another that have originated through the activity of foreign capital and the imperialist policy.

The specific features of China (and they are reflected in the position in the countryside as well) consisted in the unusually important role played in the development of the Chinese state and society by the factor of tradition. In China, as distinct, for example, from India (with all the significance of this factor for this country as well), the Englishmen, in the words of K. Marx, did not have the opportunity to immediately apply "direct political and economic force" of the owners who gathered land grant.³ This greatly slowed down the process of disintegration of the traditional structure and predetermined the generation of its new function which was dictated by the interest of foreign capital: to serve as a basis for the entire state political military superstructure with the support and in alliance with which the Englishmen constructed their policy of breaking down into parts this immense country which had been isolated from the external world for ages.

Mediated by the dominance of tradition, the form of expression of such typical qualities of the peasantry during the age of colonialism as mass pauperization and the special nature of differentiation made a deep impression on the entire social image of the class of the peasantry and its various strata, and also on their political position and means of expressing it. The retention and the new function of traditional relations and ties, on the one hand, undermined the revolutionary initiative and energy of the Chinese peasantry, and especially its most impoverished strata, and it manifested itself as a conservative force, and, on the other hand, these caused suppression (under the covering of tradition) of social contradictions which only needed a way to be cast into the extreme form of revolutionary behavior, frequently of the left extremist kind. The dual nature of the peasantry, conditioned by the contradictory influence of the external factor on it is manifested especially clearly here: the combination in its ideological and political position of medieval heresies, including elements of communist ideology and extreme conservatism, and the less extreme manifestations of the revolutionary nature. Therefore the authors' evaluation of the role of the peasantry as a purely passive one is unjustified, as in general are any attempts to formulate any evaluation of the social role of the peasantry which is generalized for all cases and situations. It is necessary to have an evaluation which is differentiated, depending on many factors in the development of the revolutionary process.

It seems to us that our literature about the Orient has not sufficiently developed the internal economic aspect of the formation of the social role of the peasantry, which is closely related to the external aspect and, related to the former also the economic substantiation of the communist policy in the peasant question, maximally taking the specific colonial features into account. Under the conditions of colonialist expansion, neither in the city nor in the country was there an economic class which, by representing the progressive means of production, was capable of accomplishing (or completing) a changeover in the area of production relations along with the political revolution. A kind of vicious circle was formed: the most widespread revolutionary force, embodied by the peasantry, it seemed, while called upon to destroy the reactionary economic system, was economically powerless to do this for it offered no other alternative to this system except the return to the outdated and artificially retained traditional forms of economic activity which had become unrealistic. This is possibly why the slogan of the agrarian revolution advanced at one time by the Komintern was not successful, and the sharp disparity between the political and economic aspects in the national liberation revolutions could not be overcome. In this situation the only tactic capable of breaking this vicious cycle, which was closely joined with the very strategy of the anticolonialist struggle or even went beyond it, was the "leftist" tactics of mobilization which were carried out with different amounts of success by all communist parties of the colonial East, and was carried out especially persistently and with the greatest results by the Communist Party of China. It was precisely these tactics that prepared the conditions for the country's changeover to the path of noncapitalist, socialist development.

Such are the main subjects that are raised for consideration by the article of V. I. Glunin and A. S. Mugruzin. The article is attractive because of the originality of the formulation of a number of problems and the freshness of the material.

In the article by A. V. Gordon and V. G. Khoros they successfully emphasize the close connection between the typical qualities of the peasantry and the new postcolonialist conditions of the liberated countries and, in particular, the struggle between the two tendencies in social development--capitalist and socialist. And this means that one can presumably speak of two types of peasantry: petit bourgeois and transitional, with rudiments of the features of the peasantry of the future socialist society. Unfortunately, such a serious question as the significance of new organizational forms of the struggle of the peasantry, which are conditioned by the new historical situation and essentially determine the social role of the peasant movement in the post-colonial period, have escaped the attention of the authors of this fact-filled generalizing article.

In summary, let us point out the great merit of the book under review--the creative approach to the study of the cardinal problems of the revolutionary process in the East which has been manifested by the authors in the majority of cases, and the readiness to revise outdated evaluations when they impede the success of scientific research.

FOOTNOTES

1. "Komintern i Vostok, Bor'ba za leninskuyu strategiyu i taktiku v natsional'no-osvoboditel'nom dvizhenii" [The Komintern and the East. The Struggle for the Leninist Strategy and Tactics in the National Liberation Movement], Moscow, 1969; "Komintern i Vostok. Kritika kritiki. Protiv fal'sifikatsii leninskoy strategii i taktiki v natsional'no-osvoboditel'nom dvizhenii" [The Komintern and the East. Criticism of Criticism. Against Falsification of the Leninist Strategy and Tactics in the National Liberation Struggle], Moscow, 1978. Related to the aforementioned works are two others which were also published under the editorship and with introductory articles by R. A. Ul'yanovskiy. See Persits, M. A., "Revolutsionery Indii v Strane Sovetov. U istokov indiyского kommunisticheskogo dvizheniya" [Revolutionary India in the Country of the Soviets. At the Sources of the Indian Communist Movement], Moscow, 1973; Reznikov, A. B., "Strategiya i taktika Kommunisticheskogo Internatsionala po natsional'no-kolonial'nomu voprosu. Problemy teorii i istorii" [The Struggle and Tactics of the Communist International Regarding the National-Colonial Question. Problems of Theory and History], Moscow, 1978.
2. Agayev, S. L., "Iran v proshlom i nastoyashchem. Puti i formy revolyutsionnogo protsessa" [Iran in the Past and Present. Ways and Forms of the Revolutionary Process], Moscow, 1981.

3. Marx, K. and Engels, F. "Soch." [Works], Vol 25, Part I, p 366.

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INSTITUTE PUBLICATION ON WORLD REVOLUTIONARY PROCESS, CORRELATION OF FORCES

Moscow OBSHCHESTVENNYE NAUKI in Russian No 5, Sep-Oct 83 pp 49-71

[Article* from publications on international working class: "The Working Class and the Development of the World Revolutionary Process"]

[Text] In terms of the significance of the social changes which were accomplished the past decade was an important, qualitatively new frontier in the development of the class confrontation in the world arena. The general-historical import of the changes which occurred is that, in spite of all the attempts to impede the natural course of events, a further step forward was taken in man's ongoing movement toward socialism and communism:

the USSR and a number of other socialist community countries embarked or are embarking on the era of the mature socialist society;

a new group of countries of the former colonial world embarked on the path of a socialist orientation, and some on that of socialist development;

the development of the popular anti-imperialist and democratic revolutionary movements was marked by new victories;

in the majority of capitalist states the working class movement together with other organized strata of the working people became established as the social force capable of successfully counteracting the intrigues of imperialist reaction and defending its economic and democratic gains; and there was a pronounced increase here in the political role of the communist parties;

the aspiration of the broad working people's masses to profound social changes became more distinct; and

the relaxation of international tension in the 1970's was a most important fundamental gain of the forces of peace and progress.

* The article has been prepared on the basis of a collective work in the seventh edition of the serial publication of the USSR Academy of Science' Institute of the International Workers Movement "Mezhdunarodnoye rabocheye dvizheniye" [The International Workers Movement] (Moscow, Politizdat, 1982, pp 3-95). The authors of the work are Prof V.V. Zagladin, Doctor of Historical Sciences A.A. Galkin, Doctor of Historical Sciences B.I. Koval' and T.T. Timofeyev, corresponding member of the USSR Academy of Sciences.

A sharp change in the policy of imperialism, which is endeavoring to switch to a counteroffensive, was the immediate reaction to the growing stream of social changes to the benefit of these forces.

Under these conditions particular significance is attached to the political experience of the class and anti-imperialist struggle which was accumulated by the international working class and all other groups of working people in the past decade. The course of the class struggle basically depended on the one hand on the development of the contradictions of present-day capitalism and, on the other, on the singularities of the confrontation of the two social systems. Among these most important factors are a further intensification of objective socioeconomic, political and ideological contradictions:

between socialism and capitalism;

between labor and capital;

between imperialism and neocolonialism and the liberation-patriotic movement;

between the policy of the arms race and the peoples' movement for peace and the strengthening of detente; and

between the tendency of the financial oligarchy and the Black Hundred military to reject democracy and implant fascist and totalitarian forms of rule on the one hand and the struggle of the broadest working people's masses of various countries for democratization of the economy and policy on the other.

A most important new factor is that the USSR achieved military-strategic parity with the United States. This fact made it possible to ensure success in the cause of the struggle for a relaxation of international tension, which limited imperialism's freedom to maneuver appreciably.

At the same time the overall sphere of imperialism's domination narrowed. An intensification of the crisis in imperialism's relations with the emergent countries as a whole was a consequence of this. There was a pronounced increase in the role of the nonaligned movement and a strengthening of the movement of solidarity with the Asian, African and Latin American peoples.

A multifaceted crisis is putting the world capitalist system in a fever. Elements of demoralization in the ruling circles of the most developed capitalist countries increased. A series of new military coups and bloody internecine strife was evidence of the political instability in Latin America, Africa and Asia.

The unwillingness of the masses to live in the old way and their aspiration to change increased in many countries. The most odious political regimes of present-day capitalism--Francoism, Portuguese fascism, the "black colonels'" dictatorship in Greece, the Somoza tyranny, the antipopular despotism of the Iranian shah and so forth--collapsed under the blows of the popular forces.

Thus in our time deep-lying socioeconomic factors are interwoven with the political upheavals. Of course, as before, political and social processes are developing unevenly.

The development of the world revolutionary process has led to a sharp exacerbation of the ideological-political struggle in respect of fundamental social and political problems of the present day. A specific manifestation of this struggle has been a stimulation of a special branch of bourgeois science--so-called "sociology of revolution". Its essence amounts, first, to a denial of the revolutionary content of our era as the era of the transition from capitalism to socialism; there is extensive propaganda of the ideas of convergence and the "growth" of capitalism into socialism on the one hand and the bourgeoisification of socialism on the other. Second, a most important function of revolution, which, as Lenin observed, leads to a "class change" in the nature of state power,* is also given an extremely constricted interpretation.

Third, an increasingly large number of bourgeois sociologists, particularly in recent years, under the influence of structuralism reduces the problem of social revolutions to a grouping thereof according to formal indications. A multitude of proposals has been put forward on this score: we have here the four-pronged outline of F. Gross ("revolution from below," "revolution from above," "combined revolution"--from above and below simultaneously--and "palace coup"), the five types of (Dzh. Piti) ("great national revolution," "coup d'etat," "palace coup," "insurgence" and "revolution of the systems") and many similar constructions. Fourth, and this is perhaps the main point, bourgeois "revolutionology" as a whole is characterized by virtually a total (and, evidently, conscious) disavowal of an analysis of actual revolutionary events. Everything is provided in an extremely abstract form. The loss of historical method is a cardinal flaw of bourgeois sociology, which behind a structural-operationalist analysis of individual mechanisms loses sight of the live historical phenomenon itself.

The thought concerning violence and terror as, allegedly, the main function of revolution has been pursued particularly persistently in the bourgeois sociology of recent years. Taking this proposition as a basis, the R. Reagan administration has adopted as strategic policy the doctrine of combating revolutionary-liberation movements, which are interpreted as a specific form of "international terrorism".

Ideological-theoretical resistance to Marxism-Leninism and socialism and the ideological and political disarmament of the masses, primarily the working class--such are now the principal goals of bourgeois social science and propaganda. An integral part of this strategy is a distorted interpretation or outright denial of the revolutionary experience accumulated by the masses and the conscious impeding of the process of its internationalization.

In turn, in the camp of incidental fellow travelers of the mass workers movement also it has become fashionable, with reason and without reason, to reject and discredit in every possible way the revolutionary experience of the distant and recent past and declare the complete unsuitability of the lessons of the 1970's for the present and the future and the need for this reason to "renew" and reexamine each and everything, that is, abandon what was won in the course of an acute class struggle and what was gained through suffering by the masses and has been verified in practice. Such nihilism is encouraged in every possible way and very skillfully by the bourgeoisie.

* See V.I. Lenin, "Complete Works," Vol 32, p 384.

A dogmatic reverence of experience, fear of a critical analysis of blunders and an inability to see and evaluate the real lessons of the 1970's and determine the paths and forms of their creative and not immature use in the new situation are also capable of doing no less damage to the real revolutionary cause.

In both instances the continuity and renewal of experience are counterposed. The complex dialectical unity of past, present and future in the revolutionary movement is, given this approach, perceived primitively and broken up and reduced to merely mechanistic forms.

When we speak of revolutionary experience, we should always bear in mind the historical character of this category inasmuch as each era and each time is characterized by its own features and singularities and its own methods and traditions of class struggle. Experience is realized only in practice including that passed on from man to man, action to action, era to era. An urgent task is to be able to employ the forms, methods and skills of struggle verified by practice for the purpose of a rise in the consciousness of the working people and their capacity for struggle.

The communist vanguard of the international working class is the main factor of the assimilation and dissemination of revolutionary political experience. As distinct from other political currents, Marxist-Leninists honestly and objectively evaluate both the positive and negative aspects of practical experience, that is, treat most seriously both the lessons of victories and the lessons of defeats. An analysis and recognition of the causes of this mistake and miscalculation or the other made by the revolutionary forces ultimately make it possible to avoid their repetition in the future, that is, "negative" experience also is used for progressive purposes.

A tremendous part in the development of the current world revolutionary process is played by the wealth of political experience of the ruling communist parties, which have trodden a difficult and long path from struggle to oust the power of capital through leadership of the building of the new, socialist society.

Unfortunately, recently in some places in the ranks of the international communist movement a trend toward a dangerous contrasting of the experience of ruling and nonruling communist parties and an underestimation of the significance of international aspects of the political practice of the socialist community for the forces struggling for socialism has appeared. Such a position involuntarily leads, as practice shows, to a repetition of old mistakes and miscalculations.

The wealth of the ways and methods of the establishment of the socialist way of life arises and develops not in spite of but on the basis of common regularities of the transition from capitalism to socialism, including and primarily on the basis of the objective prerequisites of this transition, the leading role of the working class and its party in the struggle for socialism, the uniform essence of the socialist production mode and the uniform class nature of political power and socialist democracy. Diversity concerns not the essence of socialism but the forms and methods of its development and consolidation.

The last decade was marked by the development of a number of new socioeconomic and political processes in the socialist countries. These processes have markedly reinforced the international experience of the creation of the new, socialist society and enriched the entire revolutionary workers movement with new content. The reference here is mainly to the profound changes which have occurred in the socialist community countries.

A great deal of experience of the building of the developed, mature socialist society--experience which is essentially unique and which merits in-depth study and collation--was accumulated in recent years. Here, of course, we can formulate only some of its features, which revealed themselves fully in the recent period.

Primarily concerning one considerably important particular feature of the formation of the experience of the creation of developed socialism. The first to embark on the path of its creation was, as is known, our country. It was also the first to build developed socialism. The speedier (compared with the USSR) rate of progress of the socialist community countries toward the new social system proved possible precisely by virtue of the fact that they built socialism and are now developing and perfecting it in a period when a powerful socialist state--the Soviet Union--already existed and that they could rely on the experience it had accumulated, its economic and military might and its all-around support.*

On the other hand, an important factor of the acceleration of the process of the socialist society's development is also the fact that the community countries act jointly, operate in concert and tackle together many of the complex tasks which arise of both a foreign policy (within the Warsaw Pact framework) and domestic policy, particularly economic (via CEMA), nature. Thus as a whole the experience of the building of a mature socialist society takes shape from the very outset to a large extent as the collective, aggregate experience of a group of peoples and countries.

What has been said does not mean, of course, that this experience lacks its own national appearance. In this case, however, the subject of examination will be not an investigation of the specific features of building developed socialism in this country or the other but the ascertainment of certain most important common features thereof.

But first a further appreciable proposition of a fundamental nature formulated by the fraternal parties in the 1970's.

All the communist and workers parties of the socialist community countries proceed from the general precept that the stage of the mature socialist society is an essential, natural and historically lengthy stage in the development of the communist formation. The transition to the building of such

* See, for example, "KPSS avangard na svetovno revolyutsionno dvizheniye," Sofia, 1981, chapter 3; "Zur Rolle der KPdSU und der Sowjetunion in revolutionaeren Weltprozess," Berlin, 1977, Chapter V.

a society cannot be proclaimed at any arbitrarily chosen moment. In order to approach this stage it is necessary to preliminarily have tackled a number of important tasks and created the necessary material and other prerequisites.

The first essential prerequisites of the possibility of the transition to the stage of developed socialism is the complete socialist reorganization of industrial and agricultural production. Another such prerequisite is an appreciable change in the society's social appearance, namely: the strengthening of the positions of a modern socialist working class; the formation of a socialist peasantry; the conversion of the intelligentsia into a truly popular, socialist intelligentsia; and the maturation of a firm alliance of these forces, given the leading, directing role of the working class.

Connected with these processes are also, naturally, profound changes in the political superstructure of society, primarily the growth (in line with the transition to the ideological-political positions of the working class of all strata of the population) of the state of dictatorship of the proletariat into a state of all the people. Of course, a most important factor of all these changes has to be a further strengthening of the positions of the communist party in society and the growth of its leading role and its directing influence on the entire domestic life of the country and its foreign policy.

Only given observance of these conditions in their totality can it be said that a society is developing on its own, truly socialist basis. Profound qualitative changes in its entire appearance--this is what makes it possible to switch to the stage of the creation of mature socialism and to really create it.

All the adduced conclusions are based primarily on the experience of the Soviet Union. But they are now being verified and fully confirmed by the experience of other socialist countries. A comprehensive program of the building of a developed socialist society was officially drawn up for the first time at congresses of the fraternal parties of the socialist community's European countries at the start of the 1970's. Then, at subsequent party forums in the middle of the decade and at the start of the 1980's, the proclaimed policy was deepened and specified.

What common features of socioeconomic and political strategy for the period of the building of mature socialism are demonstrated by the experience of the 1970's and the outlines for the coming years?

It is evident, if we take the sphere of the economy, that the most important common phenomenon was the transition of the majority of members of the socialist community to ensuring expanded reproduction on the basis primarily of intensive methods of managing the economy and the development of the struggle for an increase in the efficiency and quality of production and labor and on the basis of the consistent combination of the advantages of socialism and the achievements of the scientific-technical revolution. This transition was dictated to a certain extent by the gradual depletion of the reserves of the economy's extensive growth (a universal decline in manpower

reserves, for example), but primarily--and this is of fundamental importance--by the new demands made of society's material-technical resources at the stage of developed socialism.

Understandably, specific economic tasks put forward by this fraternal party or the other differ from one another. But the fundamental approach of the fraternal parties to the question of the tasks of economic strategy at the stage of the creation of the mature socialist society as a whole is similar to that which was formulated by the CPSU.

Another common feature of the strategy of the fraternal parties of the socialist community characteristic of the present stage of these countries' development is the comprehensive, systemic approach to the control of all social processes. Determining the tasks for our country of the decade which had just begun, the 26th CPSU Congress recorded in the document which it adopted, "Basic Directions of the USSR's Economic and Social Development in 1981-1985 and the Period Through 1990": "To ensure society's further social progress and implement a wide-ranging program of a rise in people's well-being.... To secure society's further economic progress and profound qualitative changes in material-technical resources based on an acceleration of scientific-technical progress, the intensification of social production and its increased efficiency."* In other words, the congress linked most closely tasks of an economic and tasks of a social nature. An analogous approach can also be traced in the material of the congresses of other fraternal parties of the community.

If we now turn to the political sphere, it is not difficult to ascertain that in the 1970's, in connection with the transition to the creation of the developed socialist society, there was appreciably increased attention in all countries of our community to a refinement of their political system and an improvement in the functioning of all institutions of socialist democracy.

The steps to perfect the fraternal countries' basic laws (constitutions) which were taken throughout the past decade were primarily subordinated to the accomplishment of this task. New constitutions have been adopted in recent years in Bulgaria, the GDR, Cuba, Romania and the USSR. Appreciable amendments and additions to the constitutions in effect were made in Hungary, Vietnam and Czechoslovakia. Understandably, by virtue of specific national traditions and actual conditions in different countries, the perfection of constitutions (and legislation as a whole) cannot fail to lead to the increased diversity of forms of the development of socialist democracy. However, at the same time there has also been a very pronounced strengthening of the community of the fraternal countries' approaches to the solution of basic fundamental problems and determination of the directions of the development of socialist democracy. The growth of the diversity of forms and simultaneously the increasingly distinct ascertainment of the uniform essence of socialist democracy are an important sign of the present historical period of the life of the socialist community.

In what direction has the strengthening of this unity proceeded? In what has it been manifested? We should again mention here the simultaneous development of two closely connected processes. The first is a strengthening of state

* "Material of the 26th CPSU Congress, Moscow, 1981, pp 136, 137.

power and the socialist state as such. The approach to comprehension of this process as a process of the deepening of socialist democracy ensues from the very nature of socialism. It may be recalled that back at the initial stages of the development of the new social system Lenin drew attention primarily precisely to the need to ensure citizens' direct participation in all state work.

At the same time the increased attention of the fraternal parties of the community to a considerable expansion of the scale of such participation and the enlistment of the working people's masses in running the affairs of society in the past decade (and this is the second process in the sphere of the political development of the socialist countries which should be mentioned) was brought about by two important points ensuing from the current situation and its particular features. First of all, as the economic foundation of the socialist society strengthens and the living standard of the people and their culture rise, the citizens' aspiration to participate more extensively in the discussion and solution of the basic questions of social development is also, naturally, manifested increasingly forcefully. On the other hand, however, the considerable extension of the processes of socialist building and the complication of the tasks arising in this connection, whose accomplishment is impossible without the creative participation of huge masses of people, simultaneously also bring about the growing need of the society itself for the enlistment of the entire mass of working people (or, in any event, an increasingly significant part thereof) in the process of state, managerial activity.

All the constitutions of the countries of the community adopted in recent years specially record in this form or the other (depending on local traditions) the role of the communist and workers parties as an inalienable and leading part of the political system of the corresponding states. The fraternal parties have paid and continue to pay great attention to the quest for the optimum forms and methods of communists' performance of the leading role in society. The main thing, as these parties' congresses emphasized, is that for the party's effective performance of its leading role it is essential to sensitively heed the voice of the masses and emphatically combat all manifestations of bureaucratism and voluntarism and actively develop socialist democracy. Extraordinary importance is also attached to the ideological conditioning of the communists and the further development of the socialist consciousness of the whole people. All the congresses of the fraternal parties observed that the permanent basis of ideological-educational work remains Marxism-Leninism and its principles and revolutionary method.

So, as a whole it is possible to distinguish three basic directions of the work of the fraternal parties, which have set themselves the goal of the creation of a mature socialist society: transition to the intensive development of the economy on the basis of a combination of the achievements of the scientific-technical revolution with the advantages of socialism; implementation of large-scale social programs (unity of economic and social policy); and perfection of the political system and the formation of the working people's communist consciousness. All these tasks enjoyed further theoretical and practical development in the last decade.

The last decade marked the start of a new stage in the mutual relations of the countries which are a part of the socialist community.

Primarily all fields of traditional interstate relations developed appreciably and acquired, it may be said, a new quality, and together with this new form appeared also. Thus a transition was effected in CEMA from the coordination of economic development plans to the development and implementation of the comprehensive program of the further extension and improvement of cooperation and the development of socialist economic integration and subsequently (in the latter half of the decade) multilateral long-term goal-oriented cooperation programs and bilateral programs of specialization and cooperation. A new body--the Foreign Ministers Committee--which concentrated a considerable proportion of the practical work on coordinating the participants' efforts in the international arena, arose within the Warsaw Pact framework.

But interstate cooperation now far from exhausts the entire richness of relations between countries of the community. Various forms of interaction of the public organizations of the fraternal countries, figures and organizations of science and culture and so forth were developed extensively in the last decade. Contracts were established between local power organs and between the collectives of industrial and agricultural enterprises. And it is not simply a question of contacts. They are growing into a ramified system of relations of various types. Here is just one example: international socialist competition, in which the collectives of allied enterprises of the socialist countries participate, was conceived in 1977 and rapidly came to acquire extensive proportions.

The nucleus and basis of the cooperation of the socialist community countries was and remains the fraternal interaction of their communist and workers parties. The 1970's introduced much that was new to the process of the development of this cooperation also. Top-level meetings of leaders of the fraternal parties and states became a constant practice in the said period. Meetings of central committee secretaries of the fraternal parties on international and ideological issues are held regularly. Periodic meetings of central committee secretaries on organizational-party issues have also become a part of practice. Deep ties have evolved between party scientific and educational institutions. The chief result of the work that has been done is an appreciable strengthening of the fraternal parties' ideological-political unity.

A most important common task, which is being tackled jointly by the socialist community countries, is the struggle to preserve peace. Peace and socialism are indivisible. This historic truth acquired new real expression in the practice of the 1970's. It became even more obvious to everyone that, as emphasized at the 26th CPSU Congress, "the Soviet Union and its allies are now more than ever before the main bastion of peace in the world."* The political experience accumulated in the years of detente and the international authority of the USSR and the other socialist countries serve as a dependable basis of the struggle of all the planet's peace-loving forces for the prevention of a thermonuclear catastrophe and for disarmament and security.

* "Materials of the 26th CPSU Congress", Moscow, 1981 p 4

Current revolutionary processes are continuing the world revolutionary process begun by the Great October. They are characterized by the growing role of the working class, the strengthening of the authority and might of its organizations and simultaneously the expansion of the social base of the revolutionary struggle. There was increased understanding in the past decade of the significance and effectiveness of the struggle for the unity of action of the progressive, democratic forces both on a world scale and within the framework of individual countries.

The changes which are occurring in the social structure of the working strata of the population in the capitalist and developing countries under the influence of scientific-technical progress, the development of large cities, the mass migration of the rural population and the proletarianization of the peasantry serve as the objective basis of the said processes in these countries. On the other hand, it is not only the social status but also the material position of significant masses of the working people which is changing; particularly disastrous consequences are entailed by the unchecked inflation and unprecedented growth of unemployment. Under these conditions the direct interests of the working class and the nonproletarian strata of the working population are drawing together increasingly distinctly in the struggle against imperialism, the transnational corporations [TNC], and political reaction as a whole.

All this testifies to important changes in the development of mass forms of the revolutionary movement in the current period. Truly popular revolutions, which in the 1970's embraced a new large group of states, are at their highest stage. It is significant that the spearhead of the revolutionary struggle was everywhere targeted against U.S. imperialism, which has assumed the role of world gendarme. It may be assumed that in the immediate future the struggle against the reactionary policy of U.S. imperialism will grow.

A wealth of experience of the antiwar struggle was accumulated in this time, and, furthermore, the masses saw for themselves in practice that they can exert a real influence on the course of political life in the interests of peace, democracy and social progress.

Extraordinarily rich and instructive in this connection is the experience of cooperation of forces of the left, primarily the working class, with petty bourgeois democracy, including the progressive wing of the army. Never before has this cooperation assumed such diverse and broad forms. There is also inestimable significance in the experience of the combination of armed and unarmed ways and forms of the development of revolution. The lessons of Chile and Nicaragua, Greece, Ethiopia, Angola, Kampuchea, Zimbabwe and Afghanistan, as, equally, of other countries, show that the peaceful path is essentially nothing other than, first, the predominance of political methods and forms of struggle over exclusively military operations and, second, the prevention (complete or for a relatively long time) of civil war and the incursion of counterrevolutionary forces from outside. At the same time it was clear that it is not possible to achieve victory at every step without armed forms of struggle.

The 3 years of the existence of the people's government and the development of the revolutionary process in Chile confirmed the possibility of the peaceful development of revolution. The temporary victory of fascism in Chile, despite the assertions of leftist theorists, by no means proves the erroneousness of the Marxist formulation of the question of the possibility of the peaceful growth of a democratic revolution into a socialist revolution. Two aspects should be distinguished here: first, the problem of the paths of the revolution and, second, the problem of defense of the revolution against armed attacks on the part of internal and foreign reaction. In the second case it is no longer a question of the path by which the victorious political revolution is developing but of the need to defend the gains which have been achieved by the people (primarily power) by any means, including the force of arms. The events in Chile showed once again that the exploiter classes do not relinquish power voluntarily but, on the contrary, defend it bitterly, consenting to the vilest and most barbaric crimes.

Manifold streams and forms of struggle of various classes and social groups against imperialism are combined within the framework of the present-day single world revolutionary process. In its most profound and future content the world revolutionary process has as its ultimate goal ensuring man's transition from the capitalist to the socialist development path. In this respect we may speak of world socialist revolution. But we have to see here the fundamental difference between the socialist and nonsocialist elements (factors, parts, spheres) of the world revolutionary process. In terms of the makeup of the participants, scale, variety of forms and so forth the latter is broader and of larger capacity than the stream of socialist revolutions proper, both victorious and future, for it incorporates them as a part of its own structure.

In other words, the integrity of the world revolutionary process at each historical moment represents a complex set of manifold revolutions or streams--socialist, democratic, anti-imperialist. In the modern world the differences in the stream of revolutionary processes in each country are particularly extensive, but at the same time there also exists much that is common between them and a certain logical interconnection occasioned by the laws of the integral development of the world revolutionary process. This integrity is growing, furthermore, and its main content consists of an increase in the general strategic orientation toward socialism.

The revolutionary upheavals of the 1970's marked an important stage in the development of the class struggle in the modern world and an appreciable step forward in the struggle against imperialism and reaction.

The last 10-15 years have been marked by major victories of the revolutionary forces in Asia, Africa and Latin America. Progressive governments have come to power in a number of countries here. They have effected wide-ranging democratic transformations, affecting the very socioeconomic structure of the country (Peru, South Yemen, Libya, Ethiopia, Angola, Mozambique, Laos, Kampuchea, Afghanistan, Nicaragua, Grenada, Iran, Zimbabwe and elsewhere). Many of these countries have set precise course toward socialism.

The development of the class struggle in the citadels of imperialism has its own specific features compared with the revolutionary processes in the developing countries. And this is perfectly natural. However, general regularities operate everywhere. The main ones have been and remain the continuing exacerbation of social antagonisms, the growth of the people's masses' participation in the antimonopoly struggle, the strengthening of the leading role of the working class and its vanguard and the working people's gravitation toward combat unity and international solidarity.

The situation in which the working class is struggling in the industrially developed capitalist countries is determined by a number of factors, including a deepening of the general crisis of capitalism, the further development of the scientific-technical revolution and its consequences and the changes in international relations.

The easing of international tension contributed to a change in the correlation of political forces in the main countries of the capitalist world in favor of the left flank. The positions of the most reactionary factions of the ruling class, which had come to the political forefront in the atmosphere of the cold war and which had taken advantage of this atmosphere to hold on to the levers of power, proved to have been weakened. And, on the contrary, there was an increase in the influence of the forces which more or less consistently defended the principles of a flexible policy which takes account at least partially of the interests of the working people's masses. Simultaneously the conditions emerged for the appreciable advance of consistently democratic, revolutionary forces. As a whole, in the majority of countries of industrially developed capitalism the positions of the representatives of the camp of the right in state policy proved weakened, although their influence remained considerable, and attempts to extend it continued.

The particular features of the situation which arose in the 1970's left a deep imprint on the entire course and results of the social battles in the capitalist countries. The influence on the conditions of the class struggle of the processes which were occurring in the economic sphere was the strongest. It should be recalled in this connection that the crisis phenomena which arise in the capitalist economy, primarily cyclical crises, usually contribute to a change in the correlation of class forces not to the benefit of the wage workers. The winding down of industrial production, which is a most important characteristic of a cyclical crisis, primarily changes the situation in the labor market. The supply of manpower exceeds the demand therefor on an increasingly large scale, which, in accordance with the laws of the capitalist market economy, creates growing pressure on the price of manpower.

A result of this is the weakening of the effectiveness of many levers to which the working class resorts in the struggle to maintain and raise the historically evolved living standard. At the same time, however, the general situation of disaster engendered by the crisis increases the fruitfulness of the ideological conditioning of the public in a spirit hostile to the struggling proletariat, which is accused of "class egotism" and of "ignoring" the interests of the nation as a whole and is even declared the culprit of all the economic upheavals.

Throughout the latter half of the 1970's the bourgeoisie actively attempted to take advantage of the opportunities that had opened up for it for putting additional pressure on the working class in order to heap onto it the burdens brought about by the economic disorders and also force it to assume the costs of the anticrisis measures. New means of pressure on the working class engendered by the modern development of capital were actuated here also. The most effective of these was the increased maneuverability of capital. It made it possible, inter alia, to use against the working class the manpower surplus not only within the national framework or in the industrially developed capitalist countries but elsewhere also. In practice this was expressed in the relocation of capital from countries with a comparatively high price of manpower and with a well-organized workers movement to states with an inadequately organized, cheap and at the same time sufficiently skilled mass of wage workers.

Together with this the objective situation as a whole has contributed to a strengthening of the capacity of the working class in the zone of capitalism not only for resisting the growing pressure of capital but also engaging in active offensive operations. The mass trade unions, which now unite a considerable proportion of the wage workers, continued to strengthen their positions. Objective changes in the demands made on the work force by modern production and the changes in demand therefor connected with this have also operated to the benefit of the wage workers. The saving on live labor as a reaction to the crisis recession was usually effected not at the expense of all employed manpower but primarily at the expense of its least skilled part. This fact weakened the pressure of the labor market on relations between the employers and the most valuable, from their viewpoint, manpower and, consequently, put an additional weapon in the hands of the workers' organizations.

The domestic political situation also operated to the benefit of the working class to a greater extent than before. Considerable significance was attached, in particular, to the fact that by the 1970's it had succeeded in winning important political positions in a number of developed capitalist countries. Opportunities for counterattacking the positions of capital were opened to the working class, operating via its own political organizations and using certain state institutions.

A practical expression of the strengthening of the positions of the working class was the high intensity of the strike struggle. Obviously, the fruitfulness of this struggle is determined by its mass nature to a considerable extent. However, as a rule, the efficacy of the proletariat's strike protests grew in recent years even faster than their mass nature. This is explained by a number of important additional factors. Under the conditions of the scientific-technical revolution a lesser number of strikers can objectively put more pressure on the employers than before. The closer this professional group or the other is connected with scientific-technical progress here, the higher its "relative strike strength".

The growing degree of organization of the working class and the improvement in the strategy and tactics of the strike struggle had a similar effect. Also of considerable significance were socio-psychological factors: the confidence of

the struggling proletariat in its powers and possibilities, belief in the justice of the demands being put forward and the perception of the cohesion of its ranks and broad support on the part of other social groups and other national detachments of the working class.

A very important indication of the qualitatively new phase of the development of the strike movement was the fact that in its main manifestations it went beyond the confines not only of enterprises and firms but sectors even, rising to a national and, in certain cases, international level. The specific address of the strike changed here. It was directed not only at individual employers but also at associations thereof and sometimes at the corresponding government authorities and the government itself.

The process of extension of the sphere of demands put forward by the proletariat in the course of the strike struggle could be traced clearly throughout the 1970's. This extension was of a dual nature. On the one hand the goal of winning from the employer not simply better conditions for the purchase and sale of manpower but also broader concessions connected with the development of the worker as an individual and the rights of the production collective was advanced. On the other, demands of a broader plane were made of the state and municipal authorities (provision with a job, an improvement in the vocational training system, the solution of housing, health care transport questions and so forth).

The vigorous resistance which the working class put up to the bourgeoisie's attempts to force the working people to pay for the defects of the capitalist system resulted in the fact that it succeeded almost through the end of the 1970's in many capitalist countries in maintaining the precrisis level not only of the nominal but also the real wage.

The fact that in the 1970's the working class and its organizations managed on the whole to beat back the attacks of capital on the living conditions of the bulk of the working people in a number of developed capitalist countries naturally does not mean that the positions already won by the workers here automatically guarantee them a successful outcome of class battles subsequently. Much will depend on the strength and scale of the new offensive of capital, which always attempts to exact a kind of revenge for previous failures.

It should be borne in mind that international capital has continued to build up its forces in anticipation of new skirmishes with the working class. The monopoly bourgeoisie is putting particular hopes in the increased internationalization of capital. A new phase has been discerned in recent decades in the development of this internationalization characterized by the preferential growth of the so-called TNC. These corporations represent a form of unification of capital wherein the main emphasis is put on the internationalization of direct production. An all-encompassing nature is thereby imparted to the domination of the capital being internationalized. TNC are growing rapidly not only as a result of the expansion of production at the base enterprises of major concerns but also by way of the incessant absorption of smaller independent firms or those which have proven financially weak. As a result the ongoing internationalization of capital is resulting

in growing monopolization. If there is no change in the trends which have been ascertained as of the present, by the end of the 1980's no less than 50 percent of total production in the capitalist countries will prove to be concentrated in the hands of the TNC. And this entire huge might will be cast (as it is being cast now) onto the scales in the confrontation of labor and capital.

For a consolidation of the positions of capital in the social battles increasingly active use is made of the events in the world arena, particularly the sharp deterioration in the international atmosphere as a result of the actions of the U.S. Administration. The strain in the relations between states with different social systems is making it possible to spur nationalist hysteria, create the illusion of unity of national interests and summon into being a "siege" complex. In such an atmosphere it is not difficult, citing "defense interests," to appeal to the people for extreme sacrifices and, taking advantage of this screen, to achieve results which are unattainable in a "normal" situation.

An important condition of success in tackling the tasks confronting the working class and the workers movement is, as before, unity of action nationally and internationally. This applies primarily to the trade unions. Particular significance is attached to the new positive changes in the development of the cooperation of the main political currents in the workers movement--the communists and socialists (social democrats).

The revolutionary workers movement has built and continues to build its relations with the social democratic parties guided by the general interests of the working class and its current and long-term goals, depending on the place which these parties occupy on the multicolored palette of present-day social democracy, with regard for their possible evolution. However, a number of barriers also exists in the way of such cooperation. Joint activity is possible only given a sincere readiness for this by the parties concerned. Such readiness is not observed everywhere and at all levels in the social democratic movement.

There is a considerable gap between the position of social democracy as a political movement and the behavior of social democratic politicians who are a part of government. Under the influence of mass strata of the population, social democracy as a political movement is usually to the left of its representatives in government establishments for such factors as considerations of coalition policy, and endeavor to take account of contradictory interests, pressure of the administrative machinery, personal ambitions and benefits and so forth exert an additional influence on the latter.

A practical approach to cooperation has to take account of all these circumstances. At the same time, however, they are not an insurmountable obstacle in the way of unity if the objective need for them is sufficiently ripe. The base for the joint actions of communists and social democrats is vast. The paramount goal which could be achieved is a consolidation of world peace. There is also a considerable concurrence of interests and goals in the struggle for the daily needs of the working class. There is a need for the

development of joint anticrisis programs providing for the recovery of the economic situation not at the expense of the working class and other working people but by way of an improvement in public mechanisms of controlling the national economy and limiting the omnipotence of the major, including transnational, monopolies, doing away with the most odious social and political privileges and improving the living conditions of the working class and other wage workers.

The buildup of the forces of the working class in the zone of developed capitalism in the 1970's was not sufficiently strong, despite the positive results as a whole, to fully neutralize the strengthening of the positions of the international bourgeoisie. It is clear that under current conditions the working class and its organizations have to mobilize all forces in order, having repulsed the offensive of the enemy, not only to defend earlier gains (primarily the living standard and also the whole volume of social and political achievements) but also score new successes securing the minimum corresponding to the standards dictated by the scientific-technical revolution. In the complex and difficult struggle against its class enemies the working class cannot limit itself and is not limiting itself to defense. Repulsing the attempts to deprive it of its earlier gains, it is struggling actively for a positive solution of both current and long-term social questions.

Most important international events of the past decade, like many positive changes also, which occurred within the framework of individual countries were connected with the activity of the communist parties or developed under their influence.

Naturally, the workers and communist movement in each country develops variously, depending on the specific economic and political conditions. In some cases the communist parties are mass parties and perform their work legally, in others they operate clandestinely. Each communist party has its own, individual and largely inimitable experience of struggle, just as the activity of the fraternal parties of each part of the world has distinctive common features.

However, reducing all the tasks of the communists to the nationally specific and nationally particular is not simply mistaken but ruinous for the communists and for the common cause for which they are struggling. Today consideration of national specifics and the assertion of the independence and self-sufficiency of individual fraternal parties are needed to an even more significant extent than always primarily to establish the healthy, equal and effective international cooperation of the communists. It is not fortuitous that the leitmotiv of the majority of speeches of representatives of the fraternal parties at the 26th CPSU Congress was precisely the theme of their international cohesion and their interaction in the accomplishment of urgent common tasks.

With regard for the said fact, an examination of the international experience accumulated in the 1970's by the communist movement is, perhaps, of special interest.

If from these standpoints we attempt to capture in a glance, as it were, the entire activity of the fraternal parties as whole in the past decade, the

following general conclusion could evidently be reached: a tremendous place in all their work was occupied in this period by questions of an international nature, more precisely, questions of grand international policy, primarily concerning problems of war and peace.

"The threat of nuclear war hanging over the world prompts us to evaluate anew the basic import of the activity of the entire communist movement," Yu.V. Andropov, general secretary of the CPSU Central Committee, emphasized in his speech at the CPSU Central Committee June (1983) Plenum. "Communists have always been fighters against oppression and man's exploitation of man, but today they are also struggling for the preservation of human civilization and man's right to life."*

Communists have always supported peace and opposed imperialist militarism. But new features appeared in this activity of theirs in the 1970's, which was connected with the evolution of the problem of war and peace which occurred in this decade. And two elements are clearly distinguished within the framework of the said evolution, furthermore, each of which has deservedly attracted communists' attention.

The first element consists of the fact that the arms race developed by the aggressive forces of imperialism, the creation of new types of weapon of mass destruction and the means of delivering the above-mentioned weapons to their targets and the policy of achieving military superiority over the socialist world officially proclaimed by Washington--all this has sharply increased the danger of war. It is perfectly natural that communists cannot fail under the conditions of the new international situation to pay special, higher-than-usual attention in their policy to problems of the struggle to prevent war, against the military danger and against the arms race. And it is understandable that this task could not and cannot be tackled solely within the framework of each individual country. It is necessary here to counterpose to the international, well-coordinated activity of aggressive and militarist forces the no less well coordinated activity of the antiwar, antimilitarist forces.

The second element of the development of the problem of war and peace consists of the following. The struggle for detente and detente itself, whose apogee was the middle of the last decade, proved convincingly: under current conditions, when socialism has achieved military parity with imperialism, there are big and, what is very important, growing possibilities for counteracting the forces of militarism and aggression. Advocacy of detente and its preservation and continuation has set in motion new masses of people and broad public forces, including those which until recently did not participate in campaigns to counteract the military threat.

The events of most recent times, primarily the spread in West Europe of the struggle against the deployment on the continent of new American medium-range missiles and also cruise missiles, show that the process of the growth of the assertiveness of the opponents of war continues to develop. It is understandable that under such conditions there is an increase in the possibilities of the communist parties and, consequently, in the volume of practical tasks confronting them. It is important to note that international

* "Material of the CPSU Central Committee Plenum, 14-15 June 1983," Moscow, 1983, p 20.

problems, particularly the question of war and peace, have become not only a subject of the joint international action of the communist movement; they have become paramount in the domestic political activity of the communist parties also. The reason for this is understandable: these questions are most closely connected with their strategy of struggle for democracy and socialism.

Another feature which was also characteristic of the 1970's as a whole was the increase in the role and relative significance in the activity of all the fraternal parties of ideological issues and theoretical problems. This was connected with a number of circumstances.

The first of them is that the processes of sociopolitical, economic and social development generally have to a considerable extent become more complex everywhere in the world. The aspiration to study the new phenomena of life, provide a Marxist-Leninist explanation for them and draw specific conclusions for the strategy and tactics of the struggle for democracy and socialism--all this gave rise to the need for an intensification of communists' ideological, theoretical work.

Another circumstance is the extension and further development of the revolutionary process on a world scale. Currently the fact that our era is one of a transitional nature is manifesting itself increasingly forcefully. Both capitalism and socialism have a simultaneous effect on the events unfolding in the world, primarily in the capitalist countries. Under these conditions the ideological, theoretical struggle between the two systems unfolds on the territory of essentially each state and takes the form of the confrontation of Marxist-Leninist, proletarian ideology and imperialist, bourgeois ideology.

In the sum total of ideological-theoretical questions which the communist parties are now encountering the problem of socialism in all its aspects moved to first place in the 1970's, not as a question of some distant prospect, furthermore, but as an acutely urgent problem demanding constant attention.

And an interesting phenomenon is worth noting in this connection. In all capitalist countries, particularly in those where the class struggle has achieved the most developed forms, debate has been spreading recently about socialism, in which the most varied circles of society participate. Of course, views which are openly hostile to socialism are also expressed in the course of such debates. Our attention is attracted, however, by something quite different. It is a question of the emergence in the West of dozens of versions of a kind of "new utopian socialism". It is not by chance that we employ the term "emergence" inasmuch as the authors of the new utopian theories of socialism are, as a rule, people who are extraordinarily far from theoretical problems but, ascertaining the limited nature of the possibilities of contemporary capitalism, have seen for themselves from their own experience that the old society is increasingly entering a blind alley. They begin themselves, it may be said, to spontaneously search for some ways out of the situation and some new paths of social development. And in the course of their quest they essentially come to the same conclusions to which the forerunners of scientific communism once came.

In itself this is a positive fact. At the same time, what may be termed the "re-utopianization" of socialism undoubtedly also has a negative tinge. It is perfectly obvious that many people who are in principle capable of reaching a conclusion concerning the need for socialism are as yet very far from the communist parties and from the detachments of the workers movement which operate directly under the socialist banner. This situation arises as a result of the anticommunist actions of reaction, which is sowing distrust of the communists. In other instances, on the other hand, it is evidently simply a question of the incomplete work by the fraternal parties themselves.

There is today practically no communist party of a capitalist country which has not endeavored--and very actively--to formulate a socialist alternative to existing practices. How to move toward socialism, what the paths and forms of the struggle for its realization should be, how the future society under specific national conditions will appear--these are the questions which are being hotly discussed both in the communist parties and outside. In this connection a subject of sharp discussion is sometimes the practice of real socialism, while the question of the attitude toward its accomplishments is becoming a fundamental criterion of the revolutionary spirit of this social group or party or the other and its real place in the revolutionary process.

The bourgeoisie is doing the maximum possible to turn people away from socialism. The communist, Marxist-Leninist forces for this reason see as a most important task of theirs an in-depth explanation to the masses of the essence of real socialism and the scale and fundamental novelty of its achievements. They do not hide the fact that socialism is encountering certain and sometimes difficult problems but provide a fitting analysis of such problems and show that the main thing consists not of the existence of this difficulty or other but the constant advance of the socialist society along its historic path and of the fact that it is real socialism which is the alternative to capitalism and imperialism. The successes and achievements of socialism are for Marxist-Leninist a convincing argument in support of the implementation of socialist transformations in their own countries.

Particular importance is attached to the explanation of this argument particularly also because the present period is marked by a manifest stimulation of opportunist views in the milieu of the workers movement itself, including, in certain instances, within the communist parties. Currently such trends are manifesting themselves in international issues and in a characterization of the world situation also. Attempts are observed in individual cases to depart from a class-based, truly principled evaluation of the course of events in the world arena. Some people are attempting to occupy an intermediate position and opt for a middle line, so to speak, between socialism and capitalism. In these cases they put the policy of NATO and the Warsaw Pact on the same footing. It does not need to be said that such views are objectively leading to the spread of sentiments of distrust of the world socialist system, primarily the Soviet Union, and involuntarily lend a semblance of plausibility to the "Soviet military threat" myth.

Another aspect of opportunist trends in the modern era, namely, a scornful attitude toward communists' international duty, primarily to their solidarity with the revolutionary forces of other countries, is also closely connected

with this. The communist movement as a whole repudiated the attempts of American imperialism to portray the national liberation movement as a kind of "international terrorism" and the socialist countries supporting the struggle for national liberation as the patrons of terrorism. In this connection any attempts by opportunists to portray matters such that, say, the assistance of the Soviet Union to the Afghan revolution or the Cuban comrades' support for the revolution in Angola are contributing to the "destabilization" of the world situation only help imperialism to spread its lies concerning "international terrorism". Such positions are essentially tantamount to canceling out the principle of international solidarity with the revolutionary forces and movements, a principle by which true communists, since the time of the "League of Communists" of Marx and Engels, have always been inspired.

Of course, the protests against real socialism are dictated by various considerations and caused by various factors. In some cases they could be engendered by ignorance of the real state of affairs and the influence of bourgeois propaganda. In others it is a question of a failure to understand the fundamental difference between the two systems, for example, of the endeavor to formally compare socialist practices with the customary institutions of bourgeois democracy.

Opportunist elements also manifest themselves in the socialist countries, primarily where the subversive activity of imperialism does not encounter a fitting rebuff and where communists make mistakes and miscalculations in domestic policy. This was precisely the situation in Poland, and it was not fortuitous that antisocialist forces raised their head there in 1980-1981. It is significant that these forces operated not from avowedly procapitalist positions but seemingly from a position of defense of the interests of the working class. This testified that as time goes by the enemies of socialism are perfecting their tactics and making them increasingly subtle and flexible.

Marxist-Leninists are waging a consistent struggle against opportunist views. This struggle is under way in the world arena and within the parties themselves. Of course, in some instances opportunist views could gain a certain prevalence and influence the position of this fraternal party or the other. However, it has to be noted that such views today, almost 150 years after the birth of the communist movement and more than six decades after the October Revolution, are doomed. "It does not become communists to be enticed by the trenchant phrases of every conceivable 'improver' of Marx and to clutch at the finished products of bourgeois science. Not eroding Marxist-Leninist teaching but, on the contrary, struggling for its purity and creatively developing it--this is the way to the cognition and solution of new problems. Only such an approach corresponds to the traditions and spirit of our teaching and the requirements of the communist movement."*

Marxism has encountered many opponents in its way in 150 years. In the majority of cases people have long since forgotten their names, but Marxist-Leninist teaching continues to develop. It is under its banner that the communist movement is growing and strengthening. It is under its banner that the revolutionary forces of the working class have accomplished the gigantic transformations in the world to which we are witness and in which we participate.

* Yu.V. Andropov, "The Teaching of Karl Marx and Certain Questions of Socialist Building in the USSR," Moscow, 1983, p 30.

The Second Russian Social Democratic Workers Party Congress, at which the Bol'shevik Party was created, was held 80 years ago, in 1903. "A party of the new type--a party of the working class, a party of scientific communism, a party of socialist revolution and communist creation--entered the historical arena."*

The historical experience of the 1970's, like all preceding decades, confirms the vital need for the revolutionary movement of the creation, development and all-around strengthening of parties of such a type, which are guided by Marxist-Leninist teaching and which are creatively developing it and which are the collective political leader of the working class, the highest form of its organization and the vanguard of all working people. The closest link with the masses is the source of their inexhaustible strength.

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* CPSU Central Committee decree "Eightieth Anniversary of the Second Russian Social Democratic Workers Party Congress," PRAVDA 5 April 1983.

THIRD-WORLD STATES ACT TO REGULATE TNC ACTIVITIES

Moscow ASIA AND AFRICA TODAY in English No 6, Nov-Dec 83 pp 6-8, 58

[Article by Ivan Ivanov, doctor of economic sciences: "Transnationals--
Developing Countries: New Developments in Contract Relations"]

[Text]

World economic ties show with the present alignment of class forces on the international scene emergent states are capable of opposing imperialist diktat and achieving equality in their economic ties with industrial capitalist countries. Although imperialist diplomacy and the transnational corporations consistently sabotage the establishment of a new international economic order at international level, including the United Nations, many of its principles are beginning to assume legislative and administrative form at national, subregional and regional levels, exerting a direct influence on the forms and methods of the transnationals' activities in the countries they operate in.

I

The key role in the process of development which the national state has taken upon itself in the newly-free countries has manifested itself, among other things, in major changes in their national legislation, abolishing the privileges to former colonialists and, on the contrary, granting advantages to local industry. Also affected are the contract relations between transnationals and national enterprises. These relations are going through a highly notable evolution.

The laws operating in these countries in the early years after the declaration of independence were as a rule copies of the legislation of the former metropolitan countries. They were determined by competition in attracting foreign investments, and provided for the preservation of former unequal treaties. Liberia's investment law, for instance, was drawn up by the lawyers of the Firestone Corporation as a guarantee that it would grant a loan to that country. There are many other

instances of this kind. In the mid-1960s, however, the developing countries began to revise their legislation. The changes in this sphere are directed mainly at strengthening local capital and the state, enhancing controls over the activities of the transnationals and regulating these activities in the interest of national development, bearing in mind the local and regional specific features of the newly-free countries. At the same time new laws are being promulgated to that same end in concrete spheres of the economy.

First to be revised are the laws operating in the spheres of investment and taxation, as well as customs, transport and patents laws and legal procedures, and wider application is made of the anti-trust laws and principles regulating the transfer of technology. Besides using the traditional arsenal of Anglo-Saxon and continental laws and methods of state control worked out in the Western countries, the emergent states often advance their own legal doctrines, and many of them take account of the experience of the socialist countries and the Council for Mutual Economic Assistance in what it concerns the monopoly of foreign trade, its planning, organisation, etc.

Thus, in some countries, primarily those of socialist orientation, foreign trade in important goods and some types of financial deals have legislatively been proclaimed a prerogative of the state (Algeria, Benin, Burma, Ethiopia, Guinea, the People's Democratic Republic of Yemen, Syria and others), and this keeps the transnationals and their branches out of the sphere of such operations. Operating in the most important sectors of export and import trade in other countries are state companies, the functions of which combine production and trade and which act as antipodes of the transnationals (this is especially characteristic of the oil industry). Many of these companies have turnovers running into many millions and are included in the list of the world's 500 biggest corporations. In some countries (India, Sri Lanka) the government buys medicaments, fertilizers and knowhow abroad, which makes them cheaper, and in others it takes care of foreign trade insurance and reinsurance (Sudan, Iran and others). Lastly, practically in all the countries there is an efficient currency control by the government.

But the laws most actively revised are the investment and company laws. These acts state the conditions for nationalisation, restriction of the influx of foreign capital into certain branches of the economy, channelling of investments into the spheres of the economy suffering from capital shortage, local participation in the branches of transnationals, and subordination of their activities to national priorities and development plans.

It is to this end, too, that lists are drawn up of the branches of the economy fully or partly closed to foreign investments and that the limits of foreign participation in the branches and the procedure of preliminary endorsement of investment projects are established. There appear quite a few specific innovations reflecting the particular interests and conditions of development of the newly-free countries. Some of them, for instance, deny national economic regime to foreign firms, granting local businesses and state enterprises rights that do not extend to foreigners. This principle operates, for instance, within the framework of the Central African Customs and Economic Union.

In its turn, tax and financial legislation envisages the transition from collection of concession charges from the transnationals, as was formerly the case, to the use of a system of taxes extending to the whole mass of profits made in the country and even beyond its boundaries from goods exported from the given country. The laws include increasingly more often the commitment to reinvest part of the transnationals' profits into the economy of the country in which they operate. In 1976, for instance, such reinvestments accounted for 40 per cent of the sum total of the private investments made in the developing countries by the seven leading capitalist states, as against 34 per cent in 1965.

Together with new investments, these reinvestments are used under state control, for instance, to diversify the activities of the branches of the transnationals, expand the processing of the raw materials they export, and build kindred plants or establish new branches of industry. The Elf-Gabon Company, for example, is financing the building of a cracking installation, a fertilizer factory, and enterprises in the sugar-refining, paper, cement, shipbuilding and food industries in Gabon. The legislations of a number of African countries say investors must expand the processing of local raw materials, and the same aim is pursued by the granting of tax, customs and amortisation privileges to investors. The laws and administrative instructions of the countries where the transnationals operate require the latter to make the maximum use of the possibilities of the local market to keep their enterprises supplied. This requirement also envisages a wide system of privileges and sanctions. In the Indian automobile industry, for instance, there is an approved list of the parts that must be made at home if possible, through, say, subcontracts with local firms. After its approval, their share in the national production of different vehicles increased from 20-50 per cent in 1956 to 94-99 per cent in the 1970s. In other words, such laws aim at making the branches of

the transnationals take a more active part in the system of the interbranch ties of the host country and weaken the enclave nature of their activities.

At the same time the stipulations concerning the use of locally-made parts are at times either unfeasible without detriment to the quality of the product or are accompanied by demands for "compensation purchases". Such requirements cannot be recognised as sufficiently substantiated because of their technical-economic inexpediency. In Morocco, for instance, the law demands that 42 per cent of the parts for the cars made in the country must be locally-produced, but actually this is possible only at the level of 13-18 per cent.

A new tendency in the patents legislation is its revision with a view to putting an end to the transnationals' abuses of the patents registered in their name in developing countries. Since these countries have no base of science of their own developed to any extent, 85 per cent of the existing patents belong to foreigners. Of these, at best 5-10 per cent are used in production and the rest are employed either to ensure the sale of the goods imported by the transnationals or to suppress the competition of the local industry by the monopolies. That is why new laws in India and some other countries make the issue of patents to foreigners contingent on their promise to make practical use of the patented decisions in the local industry, withdraw from the sphere of patents a number of industries that are important for the developing countries (pharmaceutical, food, nuclear energy), reduce the period of operation of patents, and establish maximum recompense for the use of patents by local firms. At the same time developing countries sometimes advance demands which essentially boil down to a revision of norms and customs of protecting inventions that have justified themselves, and are consequently maximalistic and unjustified. For example, some of them reserve the right to issue patents to foreign firms not only in accordance with permanently operating laws, but on the basis of single administrative decisions.

Licence and kindred deals thus become ever more frequently an object of regulation by special legislation on the transfer of technology, the aim of which is to strengthen the position of local firms in their licence negotiations with the transnationals and to combat the monopolies' restrictive business practices in this sphere.

Lastly, an obvious legal novelty is the promulgation in ever more newly-free countries of legislation on environmental protection which is directly linked with the transnationals' attempts to introduce "dirty" production processes into these countries without taking appropriate ecological

measures. These laws regulate the norms of ejection of harmful substances, envisage recultivation of land, particularly in the mining areas, and protection of landscapes—and they all provide for privileges and sanctions. It is also noteworthy that a number of these laws are of an obviously social character and regulate labour protection, living conditions of the personnel, protection of monuments of nature and culture, etc.

II

The establishment of sovereign national law and order is now one of the most important aspects of the process of economic decolonisation. But quite a few contradictions and problems arise on its way. Firstly, with the exception of the countries of socialist orientation, this law and order everywhere serves above all the interests of the national bourgeoisie and, consequently, suffers from obvious duality. Secondly, enjoying the freedom to devise laws solely within their national boundaries, the developing countries can thus exert only an indirect influence on international economic relations. In the first instance the further evolution of national law and order will obviously depend on the correlation of the political and class forces within each given emergent country. And in the second instance these states jointly demand the extension of economic decolonisation to international law as well.

However, the sphere of law generally, and of international law in particular, is stable and conservative because of its specific character. In this given case it is also distinguished by one-sidedness, for the standards of international law, says American lawyer Herbert Wilner, have been formulated to protect foreign property in the host country and do not contain relevant conditions ensuring the interests of the state. This view is shared by some prominent students of international law and experts of the United Nations Industrial Development Organisation. Moreover, the traditional doctrines of bourgeois law are linked with a whole series of agreements on the protection of foreign investments which were concluded in the early post-colonial years and were unequal, for in return for guaranteeing investments the developing country did not receive any possibility to control these investments or regulate their use in the economy.

Consequently, the developing countries began their struggle for "legal decolonisation" with attempts to revise these bilateral treaties or to supplement them with agreements providing for non-joint-stock forms of joint enterprises. As a rule, such agreements clearly specify the transnationals' contribution to the development of the countries

they operate in and lay a legal basis for subsequent contract relations. Thus, under the agreement between France and Algeria the former promises to supply the latter with petrochemical technology in return for oil. Analogical conditions are beginning to appear in multilateral international treaties, for instance, in the 2nd Lomé Convention.

On a broad international plane, the initiative of the developing countries presupposes alterations in a number of basic doctrines of bourgeois international law and the replacement or supplementing of this law, at least in relations between industrial and developing countries, by the so-called international law of development.

The basic postulates of this law have now been worked out and they specify the two following main principles:

- the principle of complete and inalienable sovereignty of the developing countries over their natural resources and economic activities as a basis for the control and regulation of foreign firms' activities on their territory;

- the principle of "positive discrimination", i. e., recognition of the legitimate right of the developing countries to receive one-sided and non-reciprocal trade and economic concessions in all kinds of foreign economic operations.

Envisaged, too, is the granting of special, additional privileges to the least developed emergent countries, of the right of the newly-free states collectively to conclude international treaties, and also of the right periodically to revise earlier agreements. Lastly, it is stipulated that they can settle all disputes arising out of foreign trade and investment deals by arbitration and in accordance with the national legal procedures of these countries. The "law of development" says it is the sovereign affair of the emergent states to take any measures in their cooperation and specifies that the privileges and concessions they exchange within the framework of such cooperation do not extend to industrial countries. In other words, it is a matter of excluding for the developing countries of such classical principles of international law as the most-favoured-nation principle and the principle of the countries' freedom to choose the law to apply and the means of settling disputes over commercial deals.

The establishment for the emergent countries of a preferential regime in trade with the industrial countries granting them unilateral and non-reciprocal privileges by excluding them from the most-favoured-nation principle was approved by the First Session of the United Nations Conference on Trade and Development (UNCTAD) on the initiative of the socialist and developing countries back in 1964. This regime has found concrete

expression in the general scheme of preferences agreed upon within the framework of the UNCTAD, in accordance with which the ready-made articles exported from developing countries and other territories of similar status to industrial countries are all or partly taxed at reduced rates. In the sphere of navigation the preferential regime is secured in the conduct code for conferences of shipping lines, according to which the emergent countries can reserve 40 per cent of their foreign trade shipments for their merchant marine. Lastly, a number of UN and UNCTAD resolutions call for the institution of privileges for these countries in the sphere of economic aid (increase of grants and reduction of interest on intergovernmental credits), transfer of technology and additional privileges for the least developed countries.

At the same time UN agencies are drawing up other documents designed to meet the requirements of the newly-free countries. It may be recalled that a conduct code for the transnationals is being drawn up on the initiative of the socialist and developing countries by the UN Commission on Transnational Corporations. The scheme approved for it covers such questions as prohibition of the transnationals' interference in the political processes in the developing countries, coordination of their activities with these countries' plans and priorities in the sphere of development, establishment of rules of competition, standards of accounts, struggle against corruption and transfer price formation, settlement of investment disputes, etc. In 1980 the UNCTAD adopted a code of international rules to combat restrictive business practices, and drafts for the reform of the international patent system, conduct code for the transfer of technology, etc., are being prepared.

A system of agreed international moral (resolutions and decisions of the UN and its agencies) and legal (intergovernmental treaties and conventions) commitments reflecting the process of economic decolonisation is thus gradually taking shape. This is definitely a success for the collective diplomacy of the developing countries, and evidence of their preserving the initiative in UN socio-economic activity. But the course of events in this sphere is uneven and contradictory. The Western countries stubbornly oppose the penetration of new standards of mutual relations into the legal practice of world economic ties. The proposals of the emergent countries themselves are at times contradictory and not sufficiently well elaborated. This manifests itself above all in the fact that the newly-free countries do not always bear in mind that the world is divided into two opposite socio-economic systems and do not draw a clear line between restrictive and ordinary world trade that has been justified by life itself.

CLAIMS OF SOVIET, SRV CBW USE DENIED; U.S., S. AFRICAN USE RECALLED

Moscow ASIA AND AFRICA TODAY in English No 6, Nov-Dec 83 pp 10-13

[Article by Feliks Burtashov: "Chemical Weapons of Imperialism Against the New World"]

[Text]

C hemical toxins are far from being last in importance among contemporary weapons of mass destruction, the number of which has been growing.

Chemistry is a wonderful creation of human mind, a science which helps people solve many problems and improve life on earth. However, in the hands of reactionary forces nurturing plans for world domination, chemistry opens up opportunities for the development of weapons, the use of which may result in unimaginable consequences.

The incessant military and political interference of imperialism, primarily US imperialism, in the destinies of the Asian and African people, provides ample evidence that, in a bid to hamper the historic process of liberation, the forces of imperialism will stop at nothing, including the use of any means of weapons—chemical included—thus threatening peace and security of peoples throughout the world.

It is not by chance that the Prague Political Declaration adopted last January by the member-states of the Warsaw Treaty emphasised the need to "accelerate the working out of an international convention on banning and eliminating chemical weapons", and placing the ban of chemical toxins second among all other accords.

"A HIGHER FORM OF KILLING"

These words are taken from the book by the British authors R. Harris and J. Paxman¹ and belong to Professor F. Haber, a German chemist. In 1918 at the Noble Prize awards ceremony, recipient F. Haber

¹ R. Harris, J. Paxman, *A. Higher Form of Killing. The Secret Story of Gas and Germ War*, Chatt & Windul, London, 1982.

stated: "The military will never ignore the toxin gases in future, inasmuch as this is a higher form of killing."

The British authors who are far from sympathetic to the world of socialism and the peoples' struggle for independence, have nevertheless arrived at the following conclusion in their book: throughout in the entire history, chemical weaponry has been used by imperialist powers as a means of suppressing national liberation and revolutionary movements, as a means promoting the goals of intervention in other countries. Englishmen, they go on, used device "M" in Arkhangelsk early in 1919; this insidious device created a cloud of arsenic. That was during the Civil War in Russia and, they add, the anti-Bolshevik White Army was armed with British chemical shells.

From the very beginning, gas and germ warfare was waged not only against the world's first socialist state. In that same year, the British War Ministry elaborated plans for using chemical weapons in Afghanistan against the "rebellious tribes at the Northeastern border". British colonialists used phosgene and yperite in air bombs and artillery shells there. The authors of the book write that it must have been an exceedingly dark episode in the British history, because at that time the archives were either not kept or destroyed. Here again the present-day events remind us of history long past: many chemical bombs and mines, out of those used against the liberation fighters in Indochina and Afghanistan, bear the "Made in Britain" inscription.

The ringleaders of the fascist regimes of Italy and Germany also used toxins. Let us recall the use of chemical weapons by Mussolini against Ethiopian patriots during the Italo-Abyssinian war of 1935-1936.

As a result of the rout of Nazi Germany and militarist Japan, conditions emerged in the world for the political emancipation of peoples oppressed by imperialism. The collapse of the colonial system began. Colonialism, however, had no intention of giving up without a fight, and stopped at nothing. One of these crimes was committed in Malaya, where at the end of the 1940s and the beginning of the 1950s the British troops used "245 T" toxin against the liberation fighters.

At that period, however, it was the military-industrial quarters of the USA that were the leaders in the race to create chemical and bacteriological weapons. This was promoted by the two following circumstances: the results of the long-term efforts by US specialists in that sphere and acquisition and use of vast numbers of documents on research conducted in the secret laboratories of militarist Japan, which were captured by the Pentagon at the end of the war.

Today, the world public is aware of the cooperation between the US occupationist command and Japanese war criminals—the chemists and bacteriologists headed by General Shiro Ishii.² The awful history of US chemical crimes began with those of the Korean war. Harris and Paxman write that in February 1952, North Korea and China stated that US pilots taken prisoner admitted they had dropped bacteriological and chemical bombs. These facts were corroborated by an international commission of scientists which included representatives of the USA, Italy, Sweden, France, Brazil and the United Kingdom. The commission prepared a report explaining how specific towns and villages of China and Korea were selected as targets for those weapons.

In the Soviet Union, the aftermath of development of chemical weapons has always been clear. That is why the USSR was among the first states to sign the 1925 Geneva Protocol banning the use of chemical weapons. It took the USA half a century to "bring itself" to take this step, and Washington ratified the Protocol only following the end of the war in Vietnam.

INDOCHINA: COLOURFUL RAINS

During the years of war waged by US imperialism against Vietnam, the Pentagon generals cynically referred to this beautiful evergreen country as a "field laboratory".

Early in the 1960s, thousands of gallons of chemical defoliants for military use were secretly sent from the USA to South Vietnam in open defiance of the Geneva Convention of Vietnam adopted in 1954. To avoid inspections, the then US Ambassador in Saigon F. Nafing suggested that the jericans with chemicals carry the "Civilian Cargo" inscription.

The spraying of Vietnam with defoliants was carried out under the Ranch Hand code name. By 1964 it was being conducted throughout the entire territory of South Vietnam, from the delta of the Mekong River to the demilitarised zone and later spread to neighbouring Laos and Cambodia (Kampuchea). This was the first war in the history of mankind when deliberate destruction of the natural environment on immense scale was a component of military strategy. It was there that the US brass tested methods of geophysical warfare, including creation of artificial heavy rains, fire storms, and chemical means of "clearing the jungle". Operation Ranch Hand covered 43 per cent of the cultivated

² For details see S. Chugrov, "Vampires in White Gowns", in this issue.

land and 44 per cent of forests in the south of Vietnam. Those who saw the scorched land, barren deserts, and bare trees instead of verdant forests will never forget them. Elephants, rhinoceros, deer, buffalos, gibbons, leopards and many other inhabitants of the forests either perished or went to other areas. Many types of ancient plant and animal life were completely destroyed. Tremendous damage was inflicted upon the water resources of the country, and on many places where fish spawn (fish being an important part of diet in Vietnam) were contaminated.

1.6 million people became victims of these "experiments". The figure includes not only those that were there at the time but also the new generations: the high percentage of children born with deformations and birth defects. According to scientific data, during the war three kilograms of "agent orange", a mixture containing dioxin, a strong toxin, were used per Vietnamese.

Academician A. Fokin, a prominent Soviet scientist who went to Vietnam many times and took part in the investigation of the crimes committed by US imperialism in that country, wrote: "It is indicative that the character of the chromosome defects and other changes in the genetic code of people subjected to 'agent orange' are similar to the chromosome defects of the inhabitants of Hiroshima and Nagasaki who received high doses of radiation caused by the explosion of the atomic bomb. Today there are two large groups of people who suffer from genetic defects on our planet, one of them is among the people of Japan, and the other is in Vietnam. Their sufferings, as well as those of their descendants, those born and as yet unborn, are a direct result of crimes committed by the US military."

The toxins sprayed in Vietnam were called by colour of the labels on the jerricans in which they were transported, hence "agent blue", "agent white", "agent orange"... These "colourful rains" brought death to thousands upon thousands of innocent people, upsetting the ecological balance over a vast territory. US Senator G. Nilsen had to admit that nobody but the USA would have dared to commit such a crime.

It is indicative that today many of those US figures who took a direct part in planning the aggression in Vietnam hold rather high posts. For example, I. Eagleberger, who collaborated with Henry Kissinger during the war in Indochina, is Deputy Secretary of State and a zealous advocate of nuclear blackmail and military buildup. T. Anders who planned the bombing of Vietnam and Cambodia was later on put in charge of Latin American affairs in the State Department. General B. Rogers who gave orders to destroy Vietnamese villages and kill peaceful people is today commander-in-chief of

NATO's armed forces. All of them are guilty of bringing martyrdom and death to hundreds of thousands of people.

There is one more aspect of Vietnamese tragedy: the aftermath of the use of chemical weapons in Vietnam by the Pentagon also affected the US soldiers themselves, as well as soldiers of the other countries which took part in the US adventure. Over 60,000 officers and men from the USA and other countries became victims of the toxins, 40,000 American children whose fathers were exposed to these toxins were born with serious birth defects. According to the West German *Stern* magazine, "out of 4.4 million of US soldiers who fought in Vietnam, 2.5-3 million took part in combat operations in areas where 'agent orange' was used".

"THE DEHUMANISATION OF SCIENCE"

After withdrawing from the dirty war in Indochina in disgrace, the USA stepped up production of a new generation of toxins, viewed in Washington as a major factor in achieving world military superiority. An appalling statement to the effect that the USA must constantly threaten the Soviet Union with chemical and bacteriological warfare and regard such warfare as part and parcel of any conflict, was made by a woman, Deputy Assistant to the US Secretary of Defense E. Hober, who is in charge of the Pentagon's preparations for chemical and bacteriological warfare.

The USA is increasingly engaging in a "psychological war" against the USSR. It strives by means of slander and juggling with the facts to distract public attention from the dangerous plans the US military-industrial complex is concocting, and tries to place the blame for the threat of chemical warfare on the Soviet Union.

For a long time now, the US government has persistently assured the world that it will soon publish the results of a study conducted by UN experts, which apparently contains proof that the Soviet Union has been using chemical weapons in a number of Asian countries. In actual fact, this group of experts was formed under pressure from the United States in 1980; these experts repeatedly visited the Afghan-Pakistani border region and Southeast Asia, to compare Washington's data with the prevailing situation and found out each time that the results not tally.

In the spring of 1982, the US State Department published a crude piece of anti-Soviet slander entitled **Chemical Warfare in Southeast Asia and Afghanistan**. It contained a mass of "facts and proof" which, in the opinion of its authors, provided grounds for the statements made previously by the US foreign office on Soviet-made toxins used for several years in Laos, Kampuchea and Afghanistan.

However, these "facts" collected by the CIA and other US secret services have not been confirmed, which is quite natural.

Yet another report entitled **New Facts** was published by Washington. Once again, the "new facts" supplied by anonymous witnesses have proven to be sheer fabrication. The report devoted much space to the so-called proof of Russian use of chemical substances in Afghanistan, such as metallic canisters containing toxic agents. However, no metallic canisters were produced for examination by objective experts.

At the same time however, there were displays in Kabul where numerous Western observers could see the US-made chemical shells, mines, bombs and grenades captured after the rout of counterrevolutionary bands. The shells had an inscription in English (which needed no comments) that deviation from instructions and recommendations of the US chemical service was fraught with serious consequences.

As far as the "proof" of Soviet use of chemical weapons in Indochina is concerned, the English newspaper **The Observer** told its readers about a study carried out in England and Australia of foliage collected under US supervision in North Thailand which, according to Washington, contained traces of toxins ("yellow rain") used by the Soviet Union and Vietnam in Indochina. After a thorough examination, however, the scientists in the Australian Defence Department realised that they had been deceived: the foliage contained no harmful substances and, as the official report stated, their study supplied no proof as to the reliability of the stories of chemical assaults.

So, the new facts represent a crude slander aimed at distorting the actual situation in Indochina and Afghanistan and at shifting responsibility for such outrages from the USA to the USSR. This covers up the fact that while waging its slanderous campaign, the USA is arming its allies and dictatorial regimes with various toxins. US monopolies have produced more than 90 samples of chemical weaponry (more than 5 mln units) on the Pentagon's orders.

The world public is greatly disturbed by the continued spread of these highly dangerous toxins, which are now at the disposal of a great number of states, making control over them ever more difficult. This is confirmed by numerous reports from countries ruled by reactionary regimes supported by the USA. Chemical substances are being used in El Salvador and Nicaragua, against the PLO fighters, on the Israeli-occupied Arab lands, in Angola and Mozambique, against whom the South African racist regime is waging an undeclared war, and in Namibia.

The Republic of South Africa began producing the latest types of toxins long ago. The work is being

carried out in close cooperation with US and Israeli experts. Thus, the South-African-made tank Olifant has been modified considerably to operate in areas poisoned with chemicals and infectious bacteria, which the South-African racists employ against Namibian patriots and in the Republic of South Africa itself. Reports of the use of toxins by South African racists to murder the Namibian refugees in the Kassinga Camp (Angola, 1978), and near the Angolan village of Teknipa in 1981 have appeared in the press of many countries. Toxic weaponry has also been used against people living in Rustenburg in the South African province of Transvaal where, according to the racist security services, guerrilla fighters were allegedly hiding.

Attempts are being made to exterminate people with the help of medicine, the most humane of sciences. Let us refer once again to Harris and Paxman's book who write that working on new toxic substances and bacteriological weaponry, science comes into contradiction with civilisation: diseases are not fought but, on the contrary, they are cultivated. Physicians, the authors continue, use their knowledge of the human organism's functions to invent more effective means of preventing them from functioning. Agriculture experts work out means of destroying crops. Modern nerve gases, originally invented to help man fight insects and pests, are used by the military to exterminate people. Chemical and bacteriological warfare is, in the words of one writer, "public health service the other way around"...

One of the more remarkable discoveries of our times, the mastering of genetic mechanism of the human body,—is being used to solve the problem of how to make a weapon lethal to the enemy and safe for soldiers who use it. The Western press (*Afrique-Asie* magazine among them) frequently publishes reports of the Pentagon's increased financial involvement in the study of infectious diseases, to which some ethnic groups and peoples of the "third world" countries are especially or selectively susceptible.

A correspondent of *Resister*, the bulletin, published by the South African Anti-War Resistance Committee in London, writes of the development in South Africa of a "racist" biological weapon which affects Blacks more severely than Whites. This may seem fantastic at first, but the latest research confirms that this is theoretically possible.

It was not by chance that "research" carried out by US chemists blossoms in the racist South Africa. According to the *Resister* I have mentioned, the country shelters a major centre of genetic engineering, which works on orders from the military. In the course of the last 18 months, writes the bulletin, South Africa has survived the epidemics of cholera, typhus,

poliomyelitis and bubonic plague. The system of apartheid is in itself a "biological weapon" aimed at the poor majority. The existence of a top-secret biological centre in an area already affected by two epidemics leads, however, to the dreadful conclusion that poverty is not the only reason.

Judging from South Africa's military potential, including its chemical and biological weaponry, the regime poses a serious threat to the whole area and to world peace.

The spread of chemical and bacteriological weapons on our planet combined with the threat of nuclear weaponry evokes grave concern throughout the world. The present situation is fraught with serious consequences for mankind, particularly in connection with Washington's policies aimed at aggravating the international situation and threatening peace and security. An international symposium held in January 1983 in Hochiminh City and attended by more than 160 scientists from 21 countries, including the USA, accused Washington of having engaged in large-scale chemical warfare in Vietnam. This was also declared at the world conference of trade unions against chemical and bacteriological weaponry held in May 1983 in Hochiminh, Vietnam's main industrial city. The conference emphasised that only a complete ban upon and destruction of all types of weapons could put a stop to the dangerous intentions of imperialist circles.

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ORGANIZATIONAL, MATERIAL BASIS FOR PALESTINIAN STATEHOOD ALREADY EXISTS

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[Article by Aleksandr Notin, candidate of historical sciences, and Aleksandr Alekseyev: "Self-Determination for the Arab People of Palestine: Pre-requisites and Realities"]

[Text]

The Middle East has been a hotbed of international tensions for three and a half decades already—the length of time the Arab people of Palestine have been deprived of their homeland and of any possibility of enjoying their legitimate national rights, first of all, the inherent right to self-determination and a state of their own.

Through a US-backed massive intervention in Lebanon, where the main PLO command centres and military units were quartered until the autumn of 1982, and through an overt policy of genocide against the Palestinians, Israel's Zionist leadership is trying to break the will of the heroic people and kill their hope for self-determination. But this strategy is doomed to failure. In present-day conditions the destinies of peoples cannot be resolved by force. All along, the problem of Palestinian self-determination has been gaining in importance, turning into one of the most pressing issues confronting the international community.

* * *

At the root of the problem lies Israel's seizure of territories assigned to an Arab Palestinian state by a resolution of the 3rd UN General Assembly on November 29, 1947¹, and the expulsion of the majority of the Arab population beyond the borders of Palestine.

¹ The resolution provided for annulment of the British mandate regime in Palestine and for the creation of two independent states there—Arab and Jewish, which were assigned 12,200 km² and 14,100 km² respectively. Jerusalem was to be set apart as an independent administrative unit with special status.

Before the formation of Israel (May 1948) Jewish immigrants possessed only 1,500 km², or 5.7 per cent of Palestine's territory. However, in the course of the first Arab-Israeli, or so-called Palestinian, war of 1948-1949, Israeli troops seized a considerable part of the territory assigned to the Arab state: by the war's end, Israel's actual territory comprised 20,700 km² (78 per cent of the Palestinian territory under mandate). Eighteen years later, in June 1967, Israel occupied the West Bank of the Jordan and the Gaza Strip, thus completing its seizure of Palestinian lands.

As a result, the Arab people of Palestine were forced into a diaspora. At present, there are several major communities of Palestinians in the world: in Israel itself (within the pre-1967 borders), in territories occupied by Israel in 1967 (the West Bank of the Jordan and the Gaza Strip) and in a number of countries of the Arab East. Thousands of Palestinians are in Europe and the Americas. It is noteworthy that the rate of population growth in the third of the above-mentioned communities has been noticeably higher than in the first two due to the effects of the aggressive policy of Zionist and imperialist circles, dating back to the 1920s when intensive Zionist colonisation of Palestine began. Throughout those years, Palestinians were continually being ousted from their native land. To achieve this end, the most hideous methods of coercion, reminiscent of the Nazi atrocities, have been resorted to.

The strategy of Israel's Zionist rulers is aimed at "cleaning" the "Promised Land" of Palestinian Arabs and at forestalling the formation of an independent state for them.

From the outset, the policy pursued by Zionism and imperialism has met with resolute resistance on the part of the exiles. At present, this constitutes the actions by the PLO—the only legitimate representative of their people—aimed at consolidating the Palestinians as a nation and creating, despite all obstacles, the initial element of Palestinian statehood.

The essence of this process gives rise to discussion. In our opinion, it is already possible to speak of the initiation, mainly outside the historical homeland of the Palestinians, of political institutions and elements of socio-economic structure. Naturally, they are not a substitute for the future state but present certain initial forms which have sufficient mobility and potential to take root on national territory quickly once it is restored to the Palestinians.

By political institutions, we mean the existing PLO organs and bodies, empowered with legislative and executive functions, such as the National Council of Palestine and the PLO Executive Committee (prototypes, respectively, of a

parliament and a government), the political department and joint information service (a ministry of foreign affairs and a ministry of information), the PLO embassies and legations in many countries, the Palestine Liberation Army (national armed forces) etc.

An organic part of the emerging state machinery of the Palestinians is made up of a network of services responsible for a complex of economic, financial, socio-cultural and other matters,—the PLO Public Works Department, the National Palestine Fund, and others.

Elements of the abovementioned socio-economic structure include the PLO-owned industrial enterprises Samed, working farms, transportation facilities, publishing and printing houses, schools and hospitals. The PLO develops contemporary forms of public life. On its initiative were created Palestinian trade unions, the union of Palestinian friendship and solidarity societies, unions of Palestinian writers and journalists, lawyers, doctors, women and youth organisations.

The emerging basis of future Palestinian statehood is characterised, in our opinion, by a legitimate feature: political elements appear to be more developed than socio-economic ones. This is explained, first of all, by the absence of national territory and also, not in the least, by the policy of certain conservative Arab regimes that hinder the creation of a Palestinian infrastructure under the leadership of the PLO in their countries.

In the struggle of the Palestinians for self-determination the superstructural political institutions play a very active and largely independent role, effectively influencing the formation of the basic structures. It is no exaggeration to say that without the guiding role of these institutions, the creation of prerequisites for Palestinian self-determination could not only slow down but cease altogether given the present conditions.

Some elements of the material basis for a future Palestinian state are shaping up on the West Bank of the Jordan and the Gaza Strip, i. e., on the legal Palestinian territories occupied by Israel in 1967, the area of which amounts to 6,000 km² (22 per cent of Palestine under mandate). It is estimated that about 1,250,000 Palestinians live here (11 towns and 400 villages, not counting refugee camps in the Gaza Strip which number about 63,000), out of which 750,000 inhabit the West Bank.

Agriculture is the mainstay of the economy in the occupied territories, with industry represented by small enterprises producing soap, cigarettes, olive oil, dry and tinned fruits, marble slabs, and table salt. For 15 years, the Israeli authorities have been restricting industrial development in

these areas, trying to make them a mere agrarian and raw materials appendage of Israel, a source of cheap labour and market for consumer goods. Meanwhile, authoritative Palestinian scholars believe that the West Bank and the Gaza Strip, granted the emergence of an Arab state, are capable of developing both agriculture and industry. An important part in the economic resurgence of these regions could be played by the PLO, whose budget is on a par with that of many developing countries. The Palestinians can surely count on assistance from some Arab and other friendly states and international organisations, as well as on donations from nearly 500,000 compatriots working in the oil-producing Arab countries.

It stands to reason that the realisation of economic plans calls for qualified personnel. The PLO is well aware of this, and for many years a large-scale programme of education has been underway among the Palestinians. There are many problems in this venture but with the support of the *UNRWA*² and government organisations of host Arab countries, the PLO had managed to set up a large network of educational establishments of different levels in all major Palestinian communities. Let us note that the percentage of Palestinians with a higher and secondary education is higher than the corresponding figure for Arabs in general.

The Palestinians' thirst for knowledge for the benefit of their cause is also manifest on the occupied territories. Despite the discriminatory policy of the Israeli authorities, these regions boast 956 Palestinian schools (including 730 state-owned, 142 private and 84 belonging to the *UNRWA*), with an enrollment of 223,500, and six universities from which some 70,000 specialists have already graduated. However, many of these graduates are compelled to leave the occupied territories: thus, over a thousand of physicians of Palestinian origin work in Arab countries.

On the whole, regarding the emergence of elements of Palestinian statehood, both in the occupied territories and in Arab countries, three points seem to be of special significance: first, this process is making headway and tending to become irreversible despite all obstacles put up by Zionist, imperialist and Arab reaction; second, it is directed by a single centre—the PLO; third, a young Palestinian state, if created, would have a sufficiently solid financial and economic base.

It is natural to surmise that the existing Palestinian structures would have to undergo certain changes in the process of adaptation to the concrete territorial conditions of a future state. However, the general lines of its domestic and

² The *UNRWA* is a UN Relief and Works Agency, created at the end of 1949 to help Palestinian refugees.

foreign policy as well as its operative principles should, in the opinion of the PLO leadership, remain intact.

As has been repeatedly stressed by Yasser Arafat, Chairman of the PLO Executive Committee, a Palestinian state will be a democratic one, which implies, in particular, a legal ban on any manifestations of chauvinism and racism. Power will lie with a parliament, elected by general, equal and secret ballot, which will control the activities of the majority government.

A Brief Study of the Project for Setting up a Palestinian State on the West Bank and in the Gaza Strip, prepared in 1977 by the PLO Permanent Representation in the USSR, notes that foreign policy of that state will be based on the principles of neutrality.

Its economy will provide for coexistence of state and private sectors. To boost its development it is envisaged to attract some foreign, mainly Arab, capital. The Palestinians welcome broad trade and economic contacts with socialist and developing countries, as well as with capitalist ones, including the US, provided the principle of equality and non-interference in internal affairs is observed.

* * *

Palestinian self-determination is the cornerstone to a just and comprehensive Middle East settlement. For many years, the national problem of the exiled people has remained on the agenda of Arab summit meetings, the Arab League and other all-Arab government and non-government organisations. However, the working out of a position on this score has run up against serious obstacles—of both a subjective and objective nature. Aside from the intrigues of imperialist forces, there are inter-Arab contradictions stemming from the differing socio-political orientations of the regions' countries, as well as divergences in the views of various political circles within each country on the way of resolving the Palestinian problem.

Not infrequently, in coming up with initiatives in this matter, conservative Arab regimes have been guided not so much by the interests of the Palestinian people as by their own expedient calculations of fitting in with US global strategy. An example is the notorious Camp David agreement signed by Sadat in 1978. It has also happened that Arab initiatives, offered solely for propaganda effects, were not backed up by concrete action and thus had no practical results. Sometimes they diverged from the political line of the Palestine liberation movement.

It has to be stated that the PLO views on the problem of Palestinian self-determination have

evolved in a definite way in recent years. At present, its leaders admit in principle the possibility of the creation of a Palestinian state on part of the Palestinian territory that was under mandate, to be precise, on the West Bank and in the Gaza Strip. Such an approach concurs with the views of most countries and has found expression in numerous UN resolutions. The political realism shown by the PLO raised to a considerable degree its international authority at the turn of the decade and noticeably dampened the anti-Palestinian propaganda conducted by Israeli and US Zionist circles.

A concerted position of Arab countries and the PLO on Palestinian self-determination was formulated by the 12th Arab summit held in September 1982, in Fez (Morocco). Its main result was the adoption of a comprehensive approach to the problems of a Middle East settlement. The Fez summit pointed out the necessity of setting up an independent Palestinian state with its capital in Eastern Jerusalem and stressed (a most important point!) that the process of self-determination must proceed under the leadership of the PLO—the only legitimate representative of the Palestinian people. The UN Security Council is called upon to guarantee peace among all states of the region, including the Palestinian.

Thus, on hand are two necessary (but not sufficient) preconditions for the solution of the crucial problem of Palestinian self-determination: emergence of initial structural elements for a future Palestinian state and a united platform of Arab countries on this issue.

The decisions of the Fez conference spurred a more active search for ways of settling the Palestinian problem, which led, among other things, to the discussion of a project that provides for the creation of a Palestinian state on the West Bank and in the Gaza Strip in confederation with Jordan.

This problem was also discussed by the 16th session of the Palestine National Council (PNC) held in Algeria last February. The session adopted a political declaration which confirms "the special relationship between the Jordanian and Palestinian peoples, the necessity of working for the development of these relations in a direction which can provide for the national interests of the two peoples and the Arab nation as a whole, as well as for the inherent national rights of the Palestinian people, including the right to return home, to self-determination, and to establishment of an independent Palestinian state".³

³ See "Political Declaration of the 16th Session of the Palestine National Council", Algeria, 1983.

* * *

The Fez meeting laid a real foundation for the practical solution of the problem of Palestinian self-determination. However the matter is still obstructed by the policy of the American-Israeli alliance, which after the events in Lebanon and the so-called Reagan initiative in September 1982, became more subtle and complex. The problem was compounded by the conclusion of the so-called Lebanese-Israeli agreement under US pressure.

The political courses of the US and Israel in the Middle East cannot be considered separate or opposed, even though superficially, at the level of declarations, this seems to be the case: if Begin categorically denies not only the idea of a Palestinian state but even the existence of Palestinians as a nation, Reagan is coming up with a project of "self-government" for Palestinians, is indirectly admitting the importance of the Palestinian problem to the Middle East settlement as a whole.

In reality, Reagan's "plan" is claiming to be a shrewd political game having the purpose of further strengthening the overtly anti-Soviet US-Israeli "strategic alliance" and of opposing the national interests of the Palestinian and other Arab peoples. It is not accidental that the decisions of the 16th session of the Palestine National Council, the supreme legislative body of the Palestine resistance movement, point out that "the Reagan plan, in its orientation and substance, does not provide for the inherent rights of the Palestinian people because it denies the right to return home, to self-determination, and to the establishment of independent Palestinian state. This plan does not confirm the PLO right to be the sole legitimate representative of the Palestinian people, thus contradicting international law. For these reasons the Palestine National Council refuses to view the abovementioned plan as an acceptable basis for a just and lasting settlement of the Palestinian problem and the Arab-Zionist conflict".

The US-Israeli alliance is a single mechanism in which each party has functions of its own. Such is the actual state of things, but this is being thoroughly camouflaged to produce among the Arabs (and not only there) the illusion of a growing rift in the alliance and the emergence of an independent US approach to the settlement of the conflict and its ability to put pressure on Israel when necessary.

Reagan's "initiative" and correlated US actions are proof not of a "cardinal turn about" in US policy in the Middle East but only of an altered tactic in achieving the former goals of the alliance. No matter what "radical initiatives" the

US comes up with, it is relying on Israeli militarism which stands ready to block any step toward a real and just settlement that runs counter to the common strategic interests of the US and Israel.

It is indicative that behind the façade of apparent "disagreements" US assistance to Israel is growing constantly: this year alone Washington will supply Tel Aviv weapons and credits worth over \$2,500 million. The whole course of events in the Middle East shows that the US has put its stake on Israel's brass which it needs also to constantly put pressure on the Arabs and to carry out its strategic anti-Soviet plans in the region. It is precisely for these reasons that Israel is guaranteed immense US deliveries of weapons and credits and political cover for any aggression against the Palestinian and other Arab peoples.

What is the reason then for a reactivation of US political manoeuvres in the Middle East? Now, that the US and NATO are escalating the level of confrontation with the USSR and the world socialist community, the American administration is trying to remove all obstacles in the way of throwing together a broad anti-Soviet bloc in this region, which, according to the White House and the Pentagon, is to include not only Israel but also conservative Arab states which are "friendly" to the US. American diplomacy is out to put the Middle East conflict on a global-strategic plane (the US, Israel and their Arab allies poised against the USSR and its allies). The Camp David agreements, the "armtwisting" against Lebanon to force it into a separate deal with Israel, US-Israeli military and political pressure on Syria, attempts at flirting with Jordan, and the advertising of the Reagan project for "Palestinian selfrule"—are all evidence of increased US interest in using the Arab (particularly Palestinian) factor as part of its global anti-Soviet strategy in the Middle East.

All the above allows us to conclude that the attitude of the US toward the Palestinian problem has not changed in kind. Carrying out its functions in alliance with Tel Aviv, Washington cares not at all for the legitimate rights of the Arab people of Palestine. The true motive of the so-called Reagan initiative and its newest (as well as possible future) versions is a striving to divide the Arabs, to split the PLO, to reactivate the Camp David deal in a different form, and to change the correlation of forces in the Middle East in favour of the US with its vehement anti-Soviet course.

* * *

Palestinian self-determination, which despite all difficulties is gradually acquiring organisation

and a material basis, is an important and inevitable historical process. The idea of an Arab Palestinian state has many overt and covert adversaries. As before, the international conditions of the PLO's struggle toward this objective are difficult and contradictory. But the Palestinians have reliable friends both in the Arab world and in the international arena. At the head of the forces that offer consistent, unswerving support for the just struggle of the Arab people of Palestine are the countries of the socialist community, primarily the Soviet Union. The Political Declaration of the 16th session of the PNC put forward as the main strategic goal of the Palestine resistance movement in the sphere of international relations a strengthening and deepening of friendship and cooperation between the PLO and the socialist countries headed by the Soviet Union, as well as all forces of freedom and progress the world over which are fighting against imperialism, Zionism, colonialism and racism.

The session voiced deep gratitude to the countries of the socialist community, and first of all to the USSR, for its backing the just struggle of the Palestinians.

The USSR is waging a persistent struggle for a just and comprehensive settlement of the Middle East conflict, the core of which is the Palestinian problem. This principled position received fresh and weighty confirmation in January this year at the Moscow summit talks between the Soviet leaders and the Palestinian delegation. These talks showed that the resolute, allround support of the Soviet Union for the Arab people of Palestine is a constant objective factor, which under any conditions, including the present complex situation, contributes to the inevitable success of the Palestinians' just cause. ■

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CAPE VERDE HOLDS CONFERENCE ON LIFE OF INDEPENDENCE PARTY FOUNDER

Moscow ASIA AND AFRICA TODAY in English No 6, Nov-Dec 83 pp 38-41

[Article by Vasiliy Solodovnikov, USSR Academy of Sciences corresponding member, and Orest Martyshin, doctor of juridical sciences: "The Legacy of Amilcar Cabral"]

[Text]

Ten years have passed since Amilcar Cabral, an outstanding leader of the national liberation movement, was assassinated by the cutthroats from the Portuguese secret police. The African Party for the Independence of Guinea and Cape Verde (PAIGC), which he set up, has led patriots of the two countries in armed resistance against Portuguese colonialism, which has developed into a genuinely popular war of liberation. In drawing on large-scale international assistance, and enjoying full support of the USSR and other states of the socialist community the insurgents counted primarily, as Cabral put it, "on their own force and their own sacrifice". They predetermined the outcome of the struggle even prior to the overthrow of the fascist regime in Portugal. By 1975, the Republic of Guinea Bissau and the Republic of Cape Verde had appeared on the map of Africa.

The ideological platform elaborated by Cabral was the crucial prerequisite for the victory won by the PAIGC. He provided an indepth, national analysis based on facts from the life of societies of the two countries, the revolutionary potential of their strata, and the destinies of the peoples of Africa within the context of the global confrontation of the two world systems, the crisis of imperialism and the triumph of the socialist and national liberation revolutions.

Cabral always kept a firm grip on reality. He was also a gifted theoretician with an ability to generalise and make predictions in language comprehensible to the rank-and-file members of the movement. His strong point was the unity of scientific theory and revolutionary practice, and this ensured international recognition to his ideological legacy. Cabral's thoughts remain relevant even today. The study of

his ideas and practical activity makes it possible to gain a deeper understanding of the revolutionary process in Africa, of developing a national liberation revolution into a social revolution, as well as of strategy, tactics, achievements, difficulties, and prospects for socialist orientation.

An international symposium held in the city of Praia, the capital of the Republic of Cape Verde, was timed to coincide with the 10th anniversary of Cabral's death. The National Committee of the African Party for the Independence of Cape Verde (PAICV) which organised the symposium regarded it as a political event with the task of contributing to the analysis, creative enrichment, and propaganda of the legacy of this outstanding revolutionary.

All party and state leaders of the republic took an active part in the symposium which was also attended by representatives of the Communist Party of the Soviet Union, the Portuguese Communist Party, the Communist Party of China, the League of Communists of Yugoslavia, the Workers' Party of Korea, the ruling parties of the African states which were formerly Portuguese colonies, the party-state of Guinea, the Socialist Party of Senegal, and the national liberation movements—the African National Congress of South Africa, and SWAPO (Namibia), international organisations—UNESCO, the World Peace Council, the Afro-Asian People's Solidarity Organisation, a number of public organisations, and research centres of the GDR, Portugal, Italy, France, Belgium, and Ghana. Many participants arrived in Praia with personal invitations.

In his report "Amilcar Cabral and the Relevance of His Ideas", the General Secretary of the PAICV, President of the Republic of Cape Verde **Aristides Pereira** noted that Cabral had absorbed the spirit of his Motherland and the character of his people, then subsequently succeeded in expanding his understanding of their cultural and historical roots, needs, and tasks, up to and including a general African perspective. Pereira stressed the political foundation of the struggle waged by the two peoples for their independence and cited the following words of Cabral in this connection: "We are not the military, we are armed fighters." Cabral regarded the guidance of the party as the leading principle of struggle.

Today the Party continues to adhere to the definitions of its class and political essence formulated by Cabral: "National liberation movement in power", and "National revolutionary democracy". As in the years of the struggle for independence, this ensures a wide-scale unity of all patriotic forces. At the same time, the Party invariably gives priority to the needs of the poorest strata of the population. The President said that the role of the working people in socio-political life must be enhanced. He

also talked about "participatory democracy" and its concrete manifestations in the Republic.

In conclusion, Pereira declared the resolve of his people to work for economic independence, to strengthen solidarity with all peoples upholding their freedom in the struggle against imperialism and racism, and to preserve fidelity to the ideas and principles of Amílcar Cabral.

In his report "National Liberation. Morality, Party, Democracy (Reflections on the Teachings of Cabral on the Experience of Cape Verde)", **Olívio Pires**, Secretary of the National Committee of the PAICV, stressed Cabral's thesis that the masses are a source of culture and a creator of history, but culture, like the actions of the masses, has a class character. The low level of socio-economic and cultural development of the two countries, the absence of a class-conscious proletariat, and insufficiently acute social contradictions in rural society brought forth revolutionary representatives of the petty-bourgeois quarters as the only possible leaders of the liberation movement. That was a specific feature of the revolutionary process in Guinea Bissau and in Cape Verde, and the discernment and analysis of this factor was a tremendous accomplishment of Cabral. Pires expounded upon Cabral's thoughts on the heterogeneity of the petty bourgeoisie, its stratification in the course of the liberation movement into revolutionaries, vacillating members and opportunists, and upon the struggle between the tendencies to serve the people and the revolution or to become more bourgeois.

The petty bourgeoisie's full self-repudiation as a class or, as Cabral put it, "the suicide of the petty bourgeoisie as a class" is a long process, and its success depends upon the activities of the masses. Their participation in socio-political life should not be spontaneous, but well organised and purposeful. Cabral regarded the lack of ideological clarity as a weak point of the liberation movement. He saw the prime task of a revolutionary party in working out ideological strategic provisions which determine the objectives of each stage of the struggle, and in making these objectives known to the people. It is of great importance to take into account, not only the ultimate interests of the people, but also their current needs, sentiments, and even prejudices, without imposing the party's decisions upon them.

According to the Party Programme, under colonialism it expressed the interests of all peoples. However, in establishing the party, its founders also kept an eye on the future. When speaking of the people, Amílcar Cabral meant not an ethnic community but those who at a given moment of historical development uphold progressive ideas and convictions. This presupposes struggle against all

domestic enemies, against the social strata and classes which are striving to ensure only their own interests. That is why the party is the vehicle of interests of the working classes.

The revolutionary ethics of the party's vanguard becomes an especially important guarantee of the revolution in view of the weak class basis of struggle for the eradication of the exploitation of man by man. Cabral was intolerant of bureaucratisation, corruption and degeneration of party members. He constantly appealed for the elimination of ambition, falsehood, injustice, opportunism, lack of responsibility and demagoguery, maintaining that the struggle against such manifestations is perhaps even more difficult than against colonialism.

The wide range of participants in the symposium determined the scope of the problems discussed. Of course, Cabral's legacy was in the limelight. But more often than not, the discussion exceeded its original framework; and this in no way ran counter to the spirit of the doctrine elaborated by the founder of the PAIGC who always responded readily to new phenomena and thought constantly of the future. The pressing issues of the present-day national liberation movement were examined through the prism of Cabral's ideas.

It should be pointed out that some speakers, under the guise of "interpreting" Cabral's ideas, expounded their own political platform which was sometimes a far cry from Cabral's doctrine. Cabral has long become an almost legendary figure. It is difficult to argue with him or to try to refute him, especially in Praia. It is much simpler to "interpret" Cabral's teaching in a manner which emasculates its revolutionary content. Unfortunately, there were also some speeches which had nothing to do whatsoever with the matter at hand.

Leopold Senghor spoke twice. Having described the extremely grave economic and political situation in Africa which resulted from changes in the world economy and, as he put it, from the "upheaval of organisational structures", he later expressed hope that Cabral's legacy would help in finding a way out of the crisis. However, Senghor's report showed that he had his own approach to Cabral's doctrine. In ignoring Cabral's dialectical and materialistic views, he claimed that the latter allegedly shared Senghor's concept of "Negritude" and was also close to social democracy.

The concept of "revolutionary nationalism" was the latent motive of the report by **Basil Davidson**. He stressed that a nationalistic road is imposed upon anti-imperialist movements according to the level of the dependent countries' historical development. Nationalism, however, can be revolutionary or reformist. The task is to rid it of reactionary traits, and fill the concept of the "revolutionary nationalism"

with real content. Davidson proposed the elaboration and implementation, under the aegis of the PAICV, of a wide-scale international programme to examine Cabral's life and activities as well as the movement he guided. Such research would contribute to the collection of important historical facts, to their generalisation and a theoretical understanding of them. This idea was supported by many participants in the symposium who charted specific directions for the work.

Sérgio Ribeiro, a Portuguese economist who presented a report "Unity as Cabral Saw It" noted that Cabral regarded African unity not as an aim in itself but as a means to invigorate the liberation movement. He urged its gradual implementation. Ribeiro emphasised the need to strengthen cooperation between the two fraternal peoples—of Guinea Bissau and Cape Verde, stemming from the historical, geographic, and economic conditions; the two republics present economic units which organically supplement each other, and any weakening of traditional ties between them is fraught with grave danger for the two countries. This would doom Cape Verde to exceptional dependence upon foreign countries in its economy, thus placing its very independence in constant jeopardy. As for Guinea Bissau, according to Ribeiro, there are reasons to think the republic may suffer the plight of Gambia.

M. Diawara (the Ivory Coast) also approved the caution and realism displayed by Cabral in approaching African unity. He upheld the idea, set forth earlier, of dividing Africa into four zones—Northern (Arab), Atlantic (or Western), Southern and Eastern. This would not be a matter of setting up new interstate or suprastate organisations but concerns a regional economic "stock-taking" (he noted that this has already been implemented in Western Africa) and the development, on its basis, of mutual ties which would make it possible substantially to reduce the inflow of economic and cultural values from the West. Diawara assigned an important role to the "intellectual elite" of African countries in the preparations for and implementation of these processes.

Immanuel Wallerstein (USA) came out with a highly contradictory attempt to review the national liberation movement within the context of the international class struggle. He talked of the "recession of revolutionary enthusiasm, depolitisation, cynicism and fatigue in post-revolutionary states", or "a crisis of the anti-capitalist movement" which is allegedly an offspring of the current system, rather than the creator of the future and which was supposedly completely formed by the conditions which prevailed in the 19th century. (As **Jean Suret-Canale** aptly assessed Wallerstein's speech, "his striving toward liberation from capitalism on a world-wide

scale is being undermined by his nihilistic attitude toward the struggle in each country".)

The report by **Jean Zigler** "The Armed National Liberation Movements in the Third World. The Situation Ten Years After the Death of Cabral" which was released at the symposium reflected some shifts in the position of the Socialist International on the colonial issue; these shifts apparently occurred some time ago. After voicing the usual lamentations to the effect that "there is no parliamentary democracy in the revolutionary states of Africa", the author admitted nevertheless that they are mobilising the masses, fighting poverty, and upholding their independence under the unusually hard conditions of opposing imperialism and domestic reaction (as an example, he cited the piratical actions of UNITA in Angola):

However, in his report, Zigler concentrated on the notorious concept of the "two super powers" which are allegedly equally inimical to national liberation. In a bid to persuade the developing countries of the need to orient themselves toward the Socialist International, he resorted to the fantastic concoction that Soviet policy threatens not only Europe but the whole world.

In his reply, the head of the Soviet delegation, Solodovnikov, stated resolutely that these slanderous attacks represented an artificial implantation of cold war ideas at a symposium dedicated to the memory of Cabral. It is ridiculous not to differentiate between the leading imperialist power, the bastion of colonialism and neocolonialism and the world's first socialist country, whose broad assistance (including military) to fighters for independence is well-known. Zigler's stand is absurd from the viewpoint of the interests of socialism, the national liberation movement, and the international solidarity of fighters against imperialism. It is quite logical from the viewpoint of the interests of certain business quarters in Western Europe who are striving for economic and political expansion in the developing world.

The interrelation between Cabral's legacy and scientific socialism attracted the attention of many participants in the symposium. Different views were voiced. Some speakers attempted to belittle the impact of Marxism-Leninism on the founder of the PAIGC. For example, Leopold Senghor said that Cabral was closer to Scandinavian socialism than to Marxism. **Pierro Gamacchio** (Italy) insisted on the independence and original nature of Cabral's views, which allegedly should not be classified. Diawara claimed that "pragmatism" led Cabral to assimilate some Marxist ideas. (The concept of philosophical pragmatism is out of place here, but Cabral, like many other revolutionary democrats, actually turned to scientific socialism as an efficient method of transforming society, which attests to the vitality of

Marxism and the great prospects for its further spread). Finally, Wallerstein cast doubt on the problem itself because, according to him, the term "Marxism" is marked by extreme vagueness, and the number of "Marxisms" was the same as the number of the participants in the symposium.

On the other hand, Suret-Canale stated that Cabral employed a Marxist method of political analysis, though, according to Ronald Chilkote, his basis was local. Imre Marton emphasised Cabral's creative contribution to the development of Marxism and his ability to combine organically the general and the specific, the international and the local.

This problem was clearly solved by the organisers of the symposium. President Pereira stated: "Although Cabral made use of a Marxist method of analysis, he never called himself a Marxist, leaving that to others." Prime Minister of the Republic of Cape Verde Pedro Pires, refuted as unacceptable the claim that there are many "Marxisms" and stressed that there existed a generally recognised and unshakeable basis of scientific socialism, although this in no way excluded different viewpoints of its adherents on particular issues.

The Soviet participants in the discussion voiced similar views. There is no doubt that Cabral not only mastered the methodology of Marxism-Leninism theoretically, but also succeeded in applying it creatively to the analysis of African society, and to the elaboration of a strategy of revolutionary struggle. This is the reason for his outstanding achievements. At the same time, as Pereira noted quite rightly, he never called himself a Marxist. Cabral realised only too well that the proclamation of the loyalty to Marxism by a party leading popular struggle is not so much an epistemological problem as a political and even a tactical one. He apparently took into account the fact that in light of the socio-economic backwardness of society in Guinea and Cape Verde, the slogan of scientific socialism could not become a means of mobilising the masses and might even frighten off some anti-imperialist elements, impeding the setting up of the broad intra-national and international alliances which served as a basis of the liberation movement led by the PAIGC.

However, the realism of Cabral and his conviction that it is possible to serve the ideal and the future only by firmly adhering to reality does not hide from us the fact that his ideological and political platform and theoretical legacy are in no way contradictory to scientific socialism. He did not need to advance the idea of the dictatorship of the proletariat during the struggle against Portuguese colonialism, but he rather proceeded from the basic recognition of the class struggle and socio-economic

and cultural-historical preconditions in determining the behaviour of all social strata. He gave a scientific analysis of this behaviour, which is convincing not only for the present but also for the future.

Cabral was a pure example of a genuine fighter for the interests of his people, a fighter who has no other way but revolution. Poet and agronomist, humanist and creator, he realised the need for armed struggle against colonialism. A staunch proponent of revolutionary violence, Cabral completely escaped its idealisation and absolutisation, concentrating on political movement and political organisation.

The striving to serve his people, which made Cabral a fearless fighter, led him to scientific socialism. He assimilated its social analysis and its ideas of internationalist solidarity. He ardently believed in interaction with the Portuguese revolutionary forces, and under the latter's direct influence he was formed as a political leader. He believed in alliance with the countries of socialism and mutual support among all democratic movements of the world. Cabral was a great African revolutionary democrat confidently marching toward scientific socialism. To his credit, he disseminated a truly scientific ideology within the national liberation movement.

Cabral is well known to Soviet public. He was in the USSR frequently, met with Soviet people, and made speeches and reports. All his basic theoretical works have been translated into Russian and published in the Soviet Union. In 1972, for his outstanding contribution to the revolutionary struggle of the African people and for his elaboration of the theory of the national liberation movement, the Institute of Africa, USSR Academy of Sciences, conferred on Cabral the honourable degree of the Doctor of Sciences. One of Moscow's squares was named after him, following his untimely demise. Many books, pamphlets and articles have been written and published in the USSR about his activities.

Cabral is dear to the Soviet people primarily because he took an identical view on the cardinal problems of our day; he was a representative of revolutionary democracy which adopted the theory of Marxism-Leninism.

...A mass rally devoted to the memory of Cabral was held on the last day of the symposium in Praia. In his speech, Olivio Pires talked about the loyalty of the PAICV to the ideals of its founder, about strengthening friendship and solidarity with socialist countries, young states, and all progressive forces. In their final declaration, the participants in the symposium emphasised the continuing international significance of Amílcar Cabral's legacy. ■

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CAPE VERDE INDEPENDENCE PARTY OFFICIAL INTERVIEWED

Moscow ASIA AND AFRICA TODAY in English No 6, Nov-Dec 83 pp 42-43

[Interview with Olivo Pires, African Party for the Independence of Cape Verde National Council secretary and Political Commission member, by AZIYA I AFRIKA SEGODNYA correspondent Nikolay Rusanov: "Confident of Their Future"]

[Text]

The independent Republic of Cape Verde has turned eight. There have been many changes during this short period, despite the fact that the debilitating legacy of colonialism is seriously hampering the successful building of a new life.

During a visit to the Soviet Union by a delegation of the African Party for Independence of Cape Verde (PAICV) our correspondent N. Rusanov met with Olivo Pires, head of the delegation, member of the Political Commission and Secretary of the PAICV National Council, and interviewed him.

Q. How would you assess the present-day situation in your country, and what is PAICV doing to eliminate backwardness and to improve the conditions of the working people?

A. For long decades, our people languished under the colonial yoke. The Portuguese colonialists who seized the Cape Verde Islands brutally exploited the indigenous population and plundered their natural resources. The islands, once covered with lavish greenery, were turned into a semi-desert. Our people waged a courageous struggle for independence in the course of which many heroes gave their lives, but their sacrifices were not in vain. The independent Republic of Cape Verde was proclaimed on July 5, 1975.

Colonialism left us with extremely serious problems. For many years, the Portuguese authorities artificially impeded our national progress while creating favourable conditions for Portuguese businessmen. Productive forces were at a low level, and unemployment continued to grow. Cape Verdeans were forced to leave their native

land to seek their fortune in other countries. Agriculture produced about five per cent of the food needed, while industry consisted mainly of handicraft shops and small-scale enterprises processing agricultural raw materials. The number of those employed was insignificant. Being weak politically, they had no organisation of their own. The peasantry, who formed the bulk of the population, were brutally exploited and suffered from poverty and ignorance.

The following fact testifies to the poor condition the national economy was in before independence: in 1975, gross output was much less than that in the early 1900s; export revenues covered five to six per cent of import expenditures. Naturally, it will take time to overcome our backwardness. And meanwhile we need the support of other states.

I should also say that our economy depends on climatic conditions, which are difficult. The severe droughts that regularly hit the islands greatly damage agriculture. Thus, nearly 40,000 people died from hunger caused by the prolonged drought of 1942-1947.

Immediately after independence was proclaimed, the PAICV made a sober estimation of the situation in the country. Today we have a realistic view of what can be done to develop industry and agriculture and to improve the people's well-being. We have embarked on a planned development of our economy. Thus, the first four-year plan of economic development has been approved, and long-term plans have been drawn up. The Party documents say that the key task is to lay a solid basis for an independent economy and to improve the production structure to solve the problem of unemployment. The PAICV fully realises the difficulties facing the country in this respect, but we believe that the people will overcome them, for the aim of the plans is happiness of our people.

Q. Comrade Pires, how does the Party take into account the fact that the bulk of the population are peasants?

A. The PAICV's primary task today is to imbue the people with a new attitude toward work. By giving paltry doles to peasants, the colonial authorities raised parasitic sentiments among them. The Party has set the task of creating a new sense of values and a new morality, of cultivating a different attitude toward work. There are now several state farms in the country which set an example of efficient farming. They make it evident that joint effort brings the best results. The law on land reform was enacted this year. This will help make the social basis of our system more firm, do away with social inequality in the

countryside, and stimulate the productive forces there. The law, when implemented, will raise the share of agriculture in the national economy and enhance its role in the fulfilment of the economic development plan. Moreover, it formalises the principle "the land belongs to those who till it". All this is ultimately aimed at convincing the peasants that the new government defends the interests of the working people.

Q. How does the Party provide for the participation of the working people in ruling the state?

A. The programme of the PAICV says that the current goal is to build a society free from exploitation of man by man. The Party is fully aware that the broader the participation of the masses in governing the country, the firmer the basis of our system. Various unions and associations are being set up in the republic, through which the people are involved in running the state. These organisations discuss new laws, decrees, and plans for economic development.

The PAICV works hard to consolidate national unity in the struggle to build the material base for an independent economy as rapidly as possible. A positive factor in this respect is the absence of direct opposition in the country and the growing tendency toward a merger of the interests of all strata striving for the prosperity of their homeland. I should say that the implementation of some programmes is resisted by the local bourgeoisie, but since it is embryonic and weak, the Party, backed by the majority, easily neutralises it.

Q. A. Cabral urged vigilance vis-à-vis imperialists' attempts to subordinate the developing countries economically. Now, that the advanced capitalist nations are living through the most severe economic crisis ever, this warning is especially timely. Due to the specific of its economy (dependence on imports) the Republic of Cape Verde probably faces this phenomenon more often than other countries, does it not?

A. The struggle of the newly-free states for independence does not end with winning political sovereignty. Peoples of Asian and African countries must work hard to achieve economic independence. The imperialists will not willingly give up the huge profits they receive from inequitable economic exchange with developing countries. And our people feel this constantly. Hence our great efforts to realise our economic plans rapidly since the Party is aware that the sooner they are carried out, the earlier our state will achieve economic independence.

Q. The present-day international situation is extremely tense. The imperialists, primarily in

the USA, are going out of their way to halt détente and denounce the Soviet Union's constructive initiatives directed against nuclear war. Under the given conditions, representatives of some developing countries state that it is up to the nuclear powers to prevent a nuclear holocaust. Do you think this view is correct?

A. Indeed, representatives of certain countries do say this, but it is absolutely wrong to assert that they express the opinion of their people. There is hardly any state today which can stand aside if a nuclear war breaks out, no matter where. It will spread to all continents and involve all nations. This is why the peoples of all countries, large and small, must work for peace. Another matter is what contribution peoples of different countries will make to solve the burning issue of our time. All nations need peace, particularly the developing ones, for in conditions of peace they will eliminate economic backwardness more quickly and build a new life more successfully. We, therefore, give full backing to the peace initiatives set forth by the Soviet Union and other socialist countries, for they are the real way to preserve peace on earth.

Our republic favours the peaceful solution of all political issues. It has played host to several conferences, and acted as a go-between for states which sought to solve their problems through dialogue. Our people are in solidarity with the people of Namibia fighting against the racist regime and denounce the bandit attacks on the People's Republic of Mozambique undertaken by the South African racists who will not stop even at unleashing a war against their independent neighbours with a view of imposing their will on those nations. It is a legitimate right of Mozambique, Angola and Namibia to ask assistance from whatever states and governments they choose.

Q. Will you please tell us about the relations between the Republic of Cape Verde and the Soviet Union.

A. There exist close ties of friendship and solidarity between our two countries, which date back to the years of our people's struggle against the Portuguese colonialists. Today we continue to receive substantial Soviet assistance so badly needed for the development of an independent economy.

Q. How are relations between the PAICV and the CPSU developing?

A. There are long-standing relations of cooperation between the two parties. They have always been based on equality, despite the fact that the CPSU numbers more than 17 million members, while the PAICV has only several thousand. PAICV delegations which visit the USSR gain

from the experience of the CPSU, and exchanges of opinion on a varied range of problems, both internal and external, take place.

Q. You have been to the Soviet Union more than once. What is your opinion of your current visit?

A. Yes, I have been to your country several times, which has allowed me to see how the CPSU's grandiose plans of building communism are being implemented. Industry and agriculture are progressing at a high pace and the well-being of the Soviet people is increasing. More and more towns, railways, power stations and water reservoirs are being built. The experience of the Soviet Union is ever more attractive as an example for others to follow.

The Cape Verdeans keep close watch on the achievements of the world's first state of workers and peasants, and this gives us fresh strength in the far from easy task of making our people happy.

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JAPANESE CBW EXPERIMENTS IN NORTH CHINA DURING WORLD WAR II RECOUNTED

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[Article by Sergey Chugrov, candidate of historical sciences: "Vampires in White Gowns"]

[Text]

The Shinjuku district in Tokyo with its whirlpools of noisy automobiles and pedestrians, the air thick with smoke and exhaust fumes, is as unpleasant as any other district in a giant modern city. But a short walk in either direction will take one away from the rumble and the roar to a quiet, meditative nook.

A vertical signboard in neat hieroglyphs at a side entrance to a hotel in Shinjuku modestly announces: "Meeting Hall for Hokutenkai Members" ("Northern Sky Society"). The place was opened last September and is frequented by inconspicuous elderly gentlemen. These respectable people would have been above suspicion were it not for the revelations of a member of the Society, a former captain in His Emperor's Medical Corps, published by the Akahata.

At the first glance, the elegiac name "Northern Sky Society" seems to be associated with some Oriental poetic imagery. But only at the first glance. If "Sky" intimates "Celestial", then it is easy to guess that what is meant is Northern China. Captain A. (as he introduced himself to newspapermen) deciphers "Hokutenkai" as follows: "It is a society of combat fellows from the quarantine water supply unit of the Japanese army in Northern China".

"There was a man from Niigata by the name of O. in our unit," says captain A. "After the war, he died of a lung disease. He told us the story of the ghost of a POW approaching him in his sleep. The ghost always asked him the same question: 'So, you're still killing people? You tortured me to death, and you go on murdering others!' The man could not sleep. So he invited a Buddhist monk

to read him sutras. This helped him fall asleep. I have never been bothered by such ghosts."

The "quarantine water supply unit" was a cover name for the top secret Unit 1855 engaged in developing bacteriological warfare techniques and testing them on POWs. The headquarters of this independent unit of the Japanese army in Northern China during World War II was located in Peking with branch offices in Taiyuan, Tianjing, Jinan and Zhangjiakou. The unit was formed in February 1940 and functioned till the end of the war. Captain A. was attached to the Peking headquarters during this period.

But let us return to his testimony.

"In our unit, POWs were dismembered alive. It made no difference, as they were to be executed anyway. I understand that the phrase 'experiments on humans' sounds somewhat unpleasant, but we did it without hesitation or second thoughts. There was no jail at the Peking division of the unit: POWs were fetched whenever we wanted them. When certain experiments were under way, all outsiders were kept a hundred miles away."

Secrecy at Unit 1855 was really air-tight. The Japanese command took every care to keep its plans for bacteriological warfare under wraps. The crimes of these vampires in white gowns are unknown to this day. Leisurely sipping sake, members of the "Hokutenkai" club prefer to discuss things of a different nature good-humouredly. When asked about the inhuman experiments, they instantly stiffen unsociably, repeating mechanically: "I don't know... Never heard of it... Never thought that...". Captain A.

claims that ex-army doctor T. who was directly involved in the production of bacteriological weapons usually answers like this: "I knew nothing about this as I had nothing to do with it". Asked about the plans to contaminate Leyte Island (Philippines) with plague, he reluctantly admitted: "I've heard something about these plans". Not tormented by the past, Captain A. has more to say about this episode in the unit's curriculum vitae:

"The Peking headquarters was getting ready for a specific operation—to create a plague zone on Leyte Island. It was planned to air-spray 15 tons of plague-infected fleas on the island... Using bombs filled with plague bacilli was thought unreliable. Therefore, fleas were chosen as carriers. They could be dispersed both from the air and on the ground."

Such are the cold-blooded details of the operation given by this war criminal. The operation was frustrated by a radical change in the war situation.

"The war was practically lost, and in June 1945, the Supreme Commander ordered us to suspend our work... My containers with plague-infected fleas intended for spraying were crushed by tanks and buried. No traces remained..."

After the disbandment of the unit, captain A. returned to Japan. He was summoned to the Occupational Forces' Headquarters, but fearing retribution, he went into hiding. His friends helped him to get from Kagoshima to Okinawa and then to Taiwan. He returned to Tokyo in 1951 when the San Francisco peace treaty was signed. He is now 71 and continues to reside in this city undisturbed.

Colonel Eiji Nishimura, commanding officer of Unit 1855, also escaped justice. Without much trouble, he returned to Japan and disappeared. The Colonel, says Captain A., was an immediate subordinate and trusted friend of Lieutenant-General Shiro Ishii of the Emperor's Army Medical Corps who commanded the notorious Unit 731.

Captain A.'s testimony throws light on some details relating to the existence of a ramified network of such units. Besides the Quarantine Unit 731 of the Kwantung Army (headquarters in the suburbs of Harbin) and the Peking Unit 1855, we now know of quarantine water supply units in Central China (headquarters in Nanking), South China (headquarters in Guangdong province) and the southern areas (headquarters in Singapore) with respective branch offices elsewhere.

Captain A. confesses that there was close cooperation between Gene-

ral Ishii and Colonel Nishimura's units. Both of them were together on the job from the start.

"When Unit 731 was being formed in Manchuria, Nishimura and Ishii turned to Nagada, chief of the war department, for assistance. In 48 hours, they had all the necessary funds... Peking regularly received secret papers on 'research results' from Unit 731 as well as large sums of money. I was in a position to look through these secret materials. Unit 731 and other so-called quarantine water supply units also exchanged personnel."

According to captain A., Unit 1855 began to breed fleas for plague contamination of Leyte Island after an expert from Unit 731 was assigned to the task. So the origins of this diabolical plan are easily traced to the top secret unit commanded by General Ishii.

This name hit the headlines in Japanese newspapers in 1948 in connection with a bank robbery in Tokyo: employees of the bank were poisoned with a rare agent that only medical officers could have been in possession of. The police investigator who identified the criminal as a former colonel from Ishii's unit died suddenly under strange circumstances.

Despite attempts to shroud the whole thing in secrecy, some information leaked out. Traces of the crimes were found here and there. In 1960, Eisuke Nakazono published a novel entitled *Sowers of the Night* in which fiction is combined with fact. In recent years, Japanese pressmen and writers have been conducting a methodical search for materials exposing the "secret medical research" on the territory of China. The activities of Unit 731 are described vividly and in great detail in Seiichi Morimura's book *The Devil's Greed* based on documentary materials collected by him and journalist Masaki Shimozato. The book was printed by Kobunsha Publishers in late 1981. In August 1982, Morimura published a sequel to his book with new details of the crimes committed by the Japanese military in China and additional information on how the perpetrators managed to escape punishment. So who and what is. "Dr. Ishii?"

The Pingfan station 30 km. south of Harbin in what was formerly Manchukuo is surrounded by a monotonous marshy plain. Not far from the station, a dirty yellow building with tall smoke stacks can be seen behind a dark brick wall. It was here that Ishii's main base—Unit 731, also code-named, "Togo or Kamo Unit"—was located. Its chief—Lieutenant-General of the Medical Corps Shiro Ishii, son

of a big landlord from the Tiba prefecture—was by that time the famous inventor of the diatomaceous Ishii filter, an original device to purify water under field conditions with a baked diatomite plate. His evil fame came from a different source: he was one of the initiators of modern bacteriological weapons development. To the last day of the war, this maniac was making plans for a bacteriological war against the Soviet Union, exploring the feasibility of using bacteriological weapons in guerrilla warfare. In the summer of 1945, when Japan's defeat was absolutely certain, he ordered "concentration of all efforts to accelerate the production of bacteriological weapons". In his book, Morimura indicates that towards the end of the war the unit had sufficient bacteriological weapons to destroy the entire human race.

Here is an extract from the interrogations records of the 1949 trial of Japanese war criminals in Khabarovsk (testimony of the chief of section 4, Unit 731).

"The equipment for the mass production of bacteria in this section was composed of two systems. To start with, a few words about the first system. In the first place, there were caldrons for preparing the nutrient medium. There were four of them, each with a capacity of approximately one ton. The nutrient medium was placed in Ishii's devices and kept in special autoclaves. Each of the 14 autoclaves could house some 30 devices. So, all in all, 420 of them could be put in the autoclaves simultaneously...

Q.: How much bacteria was produced per month?

A.: With the full use of section 4's productive capacities, under optimal conditions we could, hypothetically, make some 300 kg of plague bacteria a month...

Q.: How much typhoid bacteria could be cultivated working at maximum capacity?

A.: 800 kg-900 kg per month.

Q.: Anthrax?

A.: Some 600 kg

Q.: Cholera?

A.: Almost a ton.

Q.: Paratyphoid?

A.: The same as typhoid.

Q.: Dysentery?

A.: The same.

Viruses of smallpox, cholera, plague and anthrax developed in laboratories were then tested on human beings, including many women and children. Black Marias with ventilation holes instead of windows could take a one-time load of 20 "logs" (or *marutas* as the personnel of Unit 731 cynically nicknamed the prisoners brought in for a "testing").¹

POWs brought to the unit's jail were nameless; they were merely numbers, maltreated and humiliated. The MP's who handled these "cargoes" had a no less cynical name for them: "special shipments".

The two-storey jail was in the inner yard between the two blocks of the main building, screening it from outside observation. POWs were brought here through a secret entrance-way. A dimly-lit corridor 1.5 m wide stretched from the guardroom along the whole way. The sight of a peephole through which a dark solitary cell could be seen made one lose all hope. These cells were intended for the condemned. There was only one way out for the prisoners: to the other end of the corridor where the "laboratory" was located.

Chinese, Koreans, Mongols, Russians, Americans and Englishmen were used as "material for experiments". Thousands of POWs were brutally murdered in the unit's "laboratories".

The barren flat country near Ando Station was the unit's secret proving ground for investigating the most effective methods of destroying the enemy under simulated combat conditions. Specifically, Ishii-designed bacteriological bombs were tested there. POWs were tied up to posts, and porcelain bombs filled with plague-infected fleas were dropped on them, or bacteria-filled cylinders were exploded on the surface for prisoners to become infected by breathing in viruses. Then the "material" was loaded on planes and transported to a "laboratory" for further study.

Witnesses testify to many instances of POW's being dismembered alive. Butchers in white gowns used the knife to note the progress of diseases at different stages and the effects thereof on humans. Then the "used human material" was shipped to special furnaces. The black smoke from the stacks could be seen from a great distance...

After a series of "experiments", the new bacteriological weapons were tested in "field" conditions on unknowing populations. The Japanese army is known to have used bacteriological weapons when it attacked Mongolia. In 1940, plague-infected fleas were dropped on densely-populated areas of China, causing large-scale epidemics of plague.

¹ This "term" was deciphered by the famous Soviet historian and philologist V. M. Konstantinov who was asked to process the captured secret papers.

The swift thrust of the Soviet army against the Kwantung grouping frustrated the monstrous plans for extended bacteriological warfare. Both Nishimura of Unit 1855 and Lieutenant-General Ishii fled from the scene of the crimes. The base in the neighbourhood of the Pingfan station was blown up, several hundred POWs were shot, and their corpses cremated. The bulk of the 3,000-strong personnel of Unit 731 had been shipped back to Japan before the Soviet army's offensive. Fire destroyed a lot, but the most "valuable" materials and documents had been carefully packed in advance and transported to Japan. The ruins of the station were overgrown with grass and osier.

But has everything really been covered with grass and passed into oblivion? Has justice triumphed? Have the criminals been punished? Some witnesses claim to have seen General Ishii and his henchmen in Korea. He was in charge of an operation that left behind quite a few hotbeds of infection. Then he disappeared.

Several years ago, certain classified materials were made public in the USA after the term of classification ended which throw light on what happened to the ex-Lieutenant-General. American columnist John Powell chanced on Pentagon papers and records from the national archives indicating that after Japan's surrender, a group of American experts in bacteriological warfare headed by N. Fell and A. T. Thompson from the bacteriological weapons research centre at Fort Detrick (Md) visited Tokyo. They met with General Ishii and other officers from Unit 731 who agreed to hand over to the USA secret materials on the development of bacteriological weapons. In exchange for their willingness to cooperate with the Americans, the criminals were fully "absolved of their sins" and escaped a military tribunal. This cynical deal is corroborated by correspondence between US experts and Japanese officials.

Before the arrival of the delegation from Fort Detrick to Tokyo, General Ishii and his officers were under observation by the US G-2 section (intelligence) commanded by Major-General Charles Willowby, a close associate of Douglas MacArthur. Journalist Mark Gain, chronicler of the first years of Japan's occupation by the US forces, writes in his Japanese Diary that Willowby was one of the

first to suggest military cooperation between the USA and defeated Japan. Addressing American and Japanese brass in a Tokyo club in September 1946, he said: "The Japanese army was a first class army. It fought well. It was accused of cruelty. But that is quite natural when an army is fighting under difficult conditions. I know that many of us are worried about the danger of new conflicts on Japanese soil. I would like you to know that we shall stand shoulder to shoulder with you if such conflicts break out. I would also like to tell you that you have many friends among Americans."

It was the intelligence chief of the US occupational forces in Japan and his staff that ferreted out the fear-stricken Japanese criminals from their hiding places, but not for just retribution. They were secretly shipped to the USA to escape the punishment they deserved for their crimes against humanity. Says a cable to Washington: "The Japanese data on bacteriological weapons are so valuable and important for US national security that they dwarf the benefits of prosecution for war crimes". The cynicism of such a statement becomes even more obvious if we recall that among the victims of the bacteriological weapons were many Americans, to say nothing of other races and nationalities. In 1942 alone, Unit 731 threw its doors open to some 2,000 American POWs brought in from the Philippines.

With reference to respective documents, Morimura writes in his book *The Devil's Greed*: "Through a detailed investigation of the activities of Unit 731 and some experiments, the USA actually got hold of all the knowhow of bacteriological warfare possessed by the Japanese army. The results of American experts' cooperation with Japanese criminals were not long in coming. It turned out in 1952 that the bombs which the US aircraft dropped on Korea were almost twins of the bacteria air-spraying bombs developed by Ishii's "team". The shrapnel shells invented in Unit 731 are very similar to the pellet bombs extensively used by the USA in Vietnam, and quite recently by Israeli invaders in Lebanon. That is how and where the "dragon's teeth" are showing.

In a relay race of the most sordid and inhuman of misdeeds, the Pentagon has taken the baton from the Japanese military.

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ETHIOPIAN CULTURAL DEVELOPMENT SINCE REVOLUTION PRAISED

Moscow ASIA AND AFRICA TODAY in English No 6, Nov-Dec 83 pp 52-54

[Article by Aleksandr Krylov: "Ethiopia--The Revolution and Culture"]

[Text]

Ethiopia, a country with an ancient culture which is unique in many respects, is now going through a period of transformation triggered off by the revolution. Ethiopian literature, theatre, cinema, painting and music are all affected by this general transformation. Following 1974, the Ethiopian intellectuals, like the rest of the society, split into two opposing groups: adherents and opponents of the revolution. Some cultural workers failed to assess events correctly, seeing in them only "the foul rabble rioting"; these people either emigrated or sided with the counterrevolution and engaged in anti-popular activities. But most of the intellectuals were enthusiastic about the changes and put their art at the service of the people.

After the revolution, artistic abilities flourished among the masses; talented young people eager to help build a new society and implement progressive changes emerged from among them.

* * *

This article should begin with notes about the theatre; first of all because, to some extent, theatre represents literature, which is not yet accessible to millions of people who are just learning to read and write. Besides, unlike cinema, theatre does not require complex technical devices which may be scarce in a country. And, lastly, theatre represents a blend of the best traditions of the past with elements of a new, revolutionary culture, especially interesting in this kind of art.

Professional theatre had emerged in Ethiopia by 1955, on the basis of the Patriotic and the Municipal Theatres in Addis Ababa that had functioned before; simple morality plays praising the Christian virtues made up the repertoire at the beginning. As time went on, however, the genre of national historical drama came to the fore, the central part being played by such dramatists as Endelkacheu Makonen, Berhanu Dinke and Ashabbir Gebre Hiwet. The company of the Addis Ababa theatre became a great success; its productions were warmly received both in Ethiopia and abroad. This was

achieved, to a great extent, by fruitful activities of Tsegaye Gebre Medhin, a brilliant translator and playwright who acquainted the Ethiopian public with Shakespeare's *Othello*, *Macbeth*, and *Hamlet*.

Certainly, the audience was still, as before, treated to semi-official plays glorifying the emperor—compulsory fare under the old regime—but at the same time, many significant foreign and Ethiopian plays were produced which evoked an interest in human nature, displayed emotionalism and gave keen psychologic insight. *Petros at the Moment of Decision* and *The Crown of Thorns* by Tsegaye Gebre Medhin, *The Elopement of a Bride*, *Mesalliance*, *David the Third* and *Kinship* by Endelkacheu Makonen were among these plays.

While preserving all of its progressive achievements, Ethiopian theatre was enriched at this new stage by a lofty sense of civic responsibility, revolutionary partisanship and convictions. New plays with an obvious social message recalled the sufferings of a people oppressed by feudal lords in the not-so-distant past, a people which had neither rights nor possessions in its own Motherland. The National Theatre in Addis Ababa staged such highly topical plays as *Certificate for Half a Year* also by Tsegaye Gebre Medhin, *In the Flame of Battle* by Tesfaye Abebe, and *Politics and Politicians* by Abbe Gubenia, the latter two staged by the Patriotic Theatre.

A musical drama *Our Struggle*, the libretto for which was written by Tesfaye Gessese, Haymanot Alemu and Ayaleneh Mulatu, is a typical example of the new theatrical art. The show consists of three acts: the first, entitled "The Time of Darkness", shows the wretched existence of a peasant family before the revolution. The scenery is gloomy, and the mournful music turns into sobs and lamentations from time to time. The second act, "The Banner of Revival", shows head of the family, an ordinary peasant, as a typical representative of the working people who toppled the power of the greedy feudal lords. The genuinely popular nature of the revolution is shown through this character. In this act, boisterous music full of revolutionary ardour is heard from the stage.

The final, third act is an allegory depicting contemporary struggle against imperialism and the aftermaths of feudalism. The sincere, natural acting of the company evokes a lively response from the audience. On the whole it is a vivid, optimistic performance which fills the audience—yesterday's downtrodden, ignorant peasants with confidence in the victory of the revolution. They feel sure that a new society, free from exploitation of man by man, will be constructed.

The National Theatre continues to stage plays by Mengistu Lemma. A recent production of *Mother Courage* by outstanding German playwright and producer Bertolt Brecht (1898-1956) and a successful performance of *The Inspector General* by the great Russian writer Nikolai Gogol (1809-1852) have been among the highlights of recent seasons. Incidentally, this immortal comedy by Gogol has been staged by numerous theatrical companies in Asia and Africa. They are drawn to its relevance and simplicity. The message is quite clear to the spectator of today in the developing countries. The Indian version of the play, for instance, presents

the action as happening in our day in a god-forsaken township where the inhabitants wear national dress, with the exception of the main hero, Khlestakov, who sports a fashionable jacket tailored in the capital. The text and staging of the version of the play that runs in Madagascar was similarly altered.

The Ethiopian producers did not make any adaptations, but this did not hinder them from making the comedy a weapon of struggle against the vices of the past, such as the embezzlement, hypocrisy, bureaucracy, servility and bribery that unfortunately have not yet been rooted out in Ethiopia. Noteworthy, only two of the company's members were trained as professional actors. A lack of acting skill is not, as a rule, particularly felt in propaganda pieces where the characters are not developed in great depth being obviously noble or villainous in most cases. Such shortcomings, which might have proved disastrous for *The Inspector General* were fortunately avoided due to the maturity of the company. The play is invariably a success, whether it is running in Addis Ababa or elsewhere.

Amateur companies have been set up both in the capital and other towns of Ethiopia. Their main objective is to explain the changes taking place in the country by the use of the theatrical medium and to involve the masses in the building of a new life. Talented amateur actors are accepted at the National Theatre, thus solving the problem of new personnel. The publication of works by Konstantin Stanislavsky, Soviet theatrical director of world renown (1863—1938), will be of great importance for these actors' education. This book, ready for print now and entitled *Fundamentals of Theatrical Art* is the first work on theatre in Amharic. The *Kinet le Abiot* (Art for the Revolution), a bulletin of the Ministry for Culture, published in 1978, carried a series of articles on theatrical life in the Soviet Union and Western Europe; it also reviewed developments in the field in Ethiopia seriously and objectively.

Ethiopian cinema has made great strides, especially documentaries that have contributed immensely to the exposure of the cult of the emperor and the illusions about the monarch widespread among the peasants. The documentaries made after the revolution, such as *Harvest of 3000 Years* and *The Year 3002* revealed the corruption and cruelty of the past regime and the necessity and inevitability of revolutionary transformations.

Cooperation between Soviet (A. Vorontsov, D. Mamleyev, G. Serov) and Ethiopian (Taffese Jara, Getacheu Teraken) cinematographers resulted in the film *Ethiopia, Centuries and Years*, the exciting story of a country awakened from the long sleep of backwardness, of a people ready to build a new life and defend the gains of the revolution. The picture mirrored all the radical changes carried out in Ethiopia, primarily agrarian reform and the break with the traditional way of life in the countryside, the springing up of peasant associations all over the country, and the work done at factories and plants to build up a political party that would become the masses' revolutionary vanguard. The concluding sequences of the film show young people in the remotest corners of the

country where they went to put their knowledge by helping to build roads, schools and hospitals. The future of Ethiopia now depends on these strong, capable young men and women.

Several feature films have been released in Ethiopia after the revolution, of which *The Sanguinary Reparation* was the greatest success by far. This was a tragic story of two friends, one of whom accidentally shot the other during a hunting trip. The guilty party had to pay a huge reparation to the father of his dead friend. But in the end, the old man saw the profound grief of the lad and forgave him, though it was he who had caused his own grief. Human feelings winning out over the ruthless traditions of the past is thus the leitmotif of the film.

Promising young professionals, many of whom were educated in the Soviet Union, now work for the Ethiopian cinema. The best films by some of them have been screened at international film festivals and received awards.

Music and singing are an important part of Ethiopian culture. The *amzaris*, itinerant bards and musicians wander around the country even now, but eventually, this profession will die out. What then? Who will preserve the ancient melodies? To prevent them from being lost to posterity, folk companies have been set up, mostly small amateur groups, but some are a bit larger. During the *Zemecha* campaign carried out right after the revolution to teach peasants to read and write and build a new life in the village, there appeared a troupe of this kind numbering two hundred people. These companies propagate the ideas of the revolution in a simple manner, comprehensible to ordinary folk; in addition, they carefully collect and record songs, dances, and pieces of instrumental music of various ethnic groups. Revolutionary songs and marches are also composed in the folk music tradition.

It is for the purpose of developing and preserving folk traditions that the Jared Music School was opened in Addis Ababa. Jared was a legendary Ethiopian composer and creator of written music. Strange as it might seem, in the beginning, all the Ethiopians at the school had to be taught to play their own national instruments by people from other countries. But now most of the teachers are locals; they lecture on music theory and national music history in addition to giving lessons. During the four-year course, the students receive both a general secondary and a musical education.

Speaking of fine arts, graphic art is prevalent in today's Ethiopia. Bright-coloured posters are seen at every step in all the towns. But this does not mean that other genres have disappeared. Afewerk Tekle, the most prominent Ethiopian painter, who has had one-man shows in many countries and has received wide acclaim, has done quite a few canvases after the revolution depicting the transformation of his country. According to the artist, his major recent work is the huge panel *Ethiopia's Victory*, consisting of seven canvases made for the Centre of People's Heroes in the town of Debre Zeit; it took him about two years to complete. The famous Uffizi Gallery in Florence recently bought one of Tekle's pictures, a true sign of his world recognition.

Gebre Christos Desta has also dedicated several series of paintings to the revolution; he is always in the thick of events. His *Zemecha* series alone was enough for a one-man show.

Literature plays a big role in the culture of the country, too. Ethiopian writers make high demands of themselves, especially as regards their post-revolutionary works. They are inspired by the interest in political literature which has grown by leaps and bounds of late. Hundreds of small shops appeared in various towns and they sell up to 15,000 political books and pamphlets a single day, which is an enormous figure for Ethiopia. Ever more textbooks, collections of short stories, and poetry are appearing in the book stalls. Rejoicing at the new works being published, many authors, at the same time, are aware of certain negative factors. This is what the well-known writer Seyoum Wolde had to say in his interview to the *Yekatit* journal: "The authors took what we were learning in the mass media and in the discussion forums, and they gave it back to us in the forms of verse or drama. Instead of giving the true artistic transformation they repeated it to us in more or less the same words as the mass media. So, the truth is always memorable and will always remain with us. But the characterisation and the literary expression have been far from being up to standard."

It would be wrong to say, however, that Ethiopian writers ignore aesthetic values entirely. Short stories by Baalu Girma, Berhanu Zerihun and Taddele Gebre-Hiwet, published in recent years, are genuine, up-to-the-mark fiction. Though, one must admit, the novel *Criminal Judge* by Haddis Alemayehu, put out in 1982 but written prior to the revolution, somewhat disappointed readers, especially those who had read the novel *Love Till Death* by the same author. This was referred to by the critics as the best piece of prose-writing in Amharic. Nevertheless, the language of the *Criminal Judge* was praised for its simplicity, naturalness and sparkling humour. No doubt, the writer has succeeded in presenting his secondary personages well, for they are certainly more vivid than the main ones; as to the principal heroes, their destinies are somewhat unusual—not at all typical life under the monarchy.

Writers in Ethiopia make great demands upon themselves and their work, which leaves room for hope that soon the country will have many works combining partisanship with fine writing. Books in the languages of the national minorities that had no written language of their own before will also be published, an especially important development.

* * *

Ethiopia's revolutionary government pays great attention to the development of culture; the questions pertaining to it were central at the Second Congress of the COPWE in January 1983. Members of artists', musicians', and actors' unions who spoke out at the congress stressed that raising the level of political and general knowledge of the people at large, the dissemination and explanation of the basic tenets of scientific socialism, and the education of the masses in a spirit of patriotism and internationalism—all this is the duty of every

worker in culture. In this difficult and responsible task, they will be guided by the COPWE's decisions and will make creative use of the wealth of experience amassed by the socialist countries in building their own socialist cultures.

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1981 PRC BOOK ON SUN YATSEN FAVORABLY REVIEWED

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[Book review by L. Delyusin, doctor of historical sciences, of "The Study of Sun Yatsen's Ideas" by Zhang Lei: "Sun Yatsen's Ideological Legacy"]

[Text]

The year of 1981 saw the festive celebration of the 70th anniversary of the Xinhai Revolution in China. Quite a few articles, booklets, and collections of new materials dealing with this remarkable anniversary were put out. It is only natural that much attention was devoted to the great Chinese revolutionary Sun Yatsen, and among them the book *The Study of Sun Yatsen's Ideas* by Zhang Lei stands out in bold relief. This is perhaps one of the first attempts in the PRC to expound systematically and analyse critically the foundations of Sun Yatsen's teaching—the three popular principles.

In his book Zhang Lei examines in detail Sun Yatsen's three principles: nationalism, people's power, and people's prosperity. As was pointed out by the author, he was trying to evaluate the ideas of the great Chinese patriot and democrat proceeding from Marxist tenets, strictly adhering to historicism, and investigating them in close connection with the concrete historical situation, as an integrated system resulting from a long process of comprehending and generalising revolutionary experience.

The book stresses that Sun Yatsen was the first to advance a detailed programme for democratic revolution. In the course of the struggle against the feudal monarchy, Sun Yatsen worked out his own theory, i.e., the three popular principles, which he continued to develop until his death. The author of the monograph notes the strong influence exerted on Sun Yatsen by the October Revolution, following which he revised his principles taking due account of the historical changes that had occurred in the world.

Sun Yatsen considered the national revolution the prime political task faced by the Chinese people. The author of the monograph shows that Sun Yatsen's new approach to the nationalities question consisted in using ideas which were widespread among peasants and lower strata of Chinese society and also the concepts of freedom set forth by Western bourgeois democrats.

In a nutshell, the principle of nationalism was reduced to the demand to overthrow, by revolutionary methods, the Qing Government headed by the Manchu aristocracy and to avert the threat of "joint administration" or "the division" of China by the imperialists.

Tracing the process of formation of the Sun Yatsen principle of nationalism and explaining its anti-Manchu essence, the author shows the historical conditions in which it took shape. In particular, he reminds the reader that the struggle against the Manchu dynasty was an important subject for discussion among Chinese revolutionaries and reformers in 1905-1907, who, contrary to the slogan of "struggle against the Manchus" came out with the slogan of cooperation between the Manchus and the Chinese.

Giving, on the whole, a positive assessment of Sun Yatsen's ideas of nationalism, Zhang Lei notes their historical and class limitations, which made themselves felt in the absence of a clear-cut and consistent demand for struggle against imperialism. According to the author, another major shortcoming was Sun Yatsen's inclination toward Great Han and racial chauvinism which served as the theoretical justification for his subsequent policy of the assimilation of national

minorities, which was applied by the reactionary leaders of the Guomindang.

Under the influence of the October Revolution and the May Fourth Movement, Sun Yatsen introduced certain changes into nationalism, while preserving its main content. The struggle against imperialism became the main goal of the national liberation movement of the Chinese people. As for methods of settling the nationalities question within China, Sun Yatsen continued to share the erroneous concept of the "merger" or "assimilation" of different nationalities of China under the aegis of the Han nation. The author explains this by the fact that at that time, Sun Yatsen was unacquainted, among other things, with the experience in resolving the nationalities question gained in the Soviet Union.

According to the author, Sun Yatsen's elaboration of the principle of nationalism at a new stage should not be examined apart from the "three great political provisions"—alliance with the Soviet Union, alliance with the CPC, and the support from the workers and peasants. The principle of nationalism in combination with the aforementioned propositions became a complete programme for the national liberation movement.

The book notes the limited nature of the "three great political provisions", the main flaw being Sun Yatsen's failure to understand that in the period of a new democratic revolution in China, the proletariat, whose leading role was carried out by the CPC, and not the bourgeoisie should be the driving force of the revolution.

We regard it as a simplification when Sun Yatsen is reproached for a refusal to recognise the hegemony of the proletariat in the Chinese revolution, for Sun Yatsen never considered himself to be either a proletarian or a bourgeois revolutionary. That is why he never mentioned either the hegemony of the proletariat or the guiding role of the bourgeoisie.

The author regards Sun Yatsen's principle of people's power as the peak in the development of democratic ideas in China's modern history. According to Zhang Lei, the idea of people's power comprises the nucleus of Sun Yatsen's three popular principles, since it expressed the anti-feudal demands of the Chinese people. Sun Yatsen adopted "to a certain extent, the intransigent and combative spirit of the peasant wars against feudal despotism, and, at the same time, discarded the ideas of monarchism characteristic of the peasants. The political views of the Chinese reformers at the close of the 19th century greatly

influenced Sun Yatsen during the initial period of his activities and gave him an interest in political change and the borrowing of Western ideas. However, he went beyond the framework of the constitutional monarchy, abandoned the policy of gradual reforms from above, and came out in favour of "coercive" methods (pp. 67-68).

While acknowledging that Western bourgeois-democratic concepts were a crucial source of Sun Yatsen's principle of people's power, the author points out that at the same time, a certain influence was exerted on Sun Yatsen by traditional views as well as by some elements of the political system in Ancient and Medieval China.

The book stresses that the basic content of the principle of people's power—the overthrow of the feudal monarchy by means of a national revolution and the establishment of a democratic republican system—was marked by novelty and radicalism. At the same time, this political programme did not provide for the overthrow of the political feudal system being accompanied by the elimination of its social foundations. The author believes that the absence of demands for the total emancipation of the masses, of clear-cut definitions, and guarantees to ensure their social and political rights was another shortcoming of the principle of people's power. Sun Yatsen's doctrine of the three consecutive stages in carrying out popular rule (military, educational, and constitutional) had a negative influence. The Guomindang reactionaries used this doctrine to justify their military-bureaucratic regime and to crush the democratic movement of the Chinese people. The author regards Sun Yatsen's idealisation of the bourgeois republican political system as a major shortcoming.

Later on, thanks to assistance from the CPC and the international proletariat, Sun Yatsen came up with a fresh formulation of people's power. Among the new and important elements of this interpretation were the confirmation of the historical inevitability of the collapse of feudal despotism and the victory of the democratic system, the critical stand taken as regards the bourgeois republic, and a high evaluation of the political system in the Soviet Union, which Sun Yatsen considered to be the most advanced in the world.

In my opinion, the author is wrong in giving equal weight to the influence exerted by the October Revolution and the May Fourth Movement on the evolution of Sun Yatsen's political views. It is common knowledge that while giving a general positive assessment to the May Fourth Movement, Sun Yatsen did not attach to

it such great importance as he did to the October Revolution and to the experience of the revolutionary construction in Soviet Russia. The author also overestimates the influence of the young Chinese Communists on Sun Yatsen. At that time, they were just assimilating the ABCs of Marxism-Leninism. It would be more correct to speak of the impact of Leninism on Sun Yatsen; he became acquainted with its ideas not only through the press but also due to his personal relations with Soviet representatives whom he invited as advisers. This intercourse made a deep imprint on the elaboration of Sun Yatsen's political programme during the last years of his life, although it brought no change in his critical attitude to some provisions of Marxism.

Well-known facts demonstrate that Sun Yatsen was attentive to the advice and recommendations of the Soviet representatives and he thought it necessary to study carefully military and political experience of Soviet Russia.

Giving an indepth analysis of Sun Yatsen's notions about equality, freedom, stages of revolution, teachings on political parties and their role within the state, the legislative and executive functions of power, local self-government, the constitution of five authorities, and so on, the author notes their superficial, one-sided character and stresses that Sun Yatsen's concepts were far removed from reality and therefore practically impossible to realise.

Of considerable interest is the analysis of the principle of people's well-being advanced by Sun Yatsen as a programme of "social revolution". The author stresses that this principle differs from the multitude of economic programmes elaborated by the Chinese thinkers by its progressive character.

The book notes the internal contradictions of that principle. "Looking like a variety of 'subjective socialism' or 'Narodism', it is essentially an economic programme for the maximum development of capitalism" (p. 122).

The author notes that the Sun Yatsen principle of people's prosperity was, on the one hand, an elaboration of the ideas nurtured by his predecessors, and, on the other, an assimilation of the wealth of Western socio-political thought and ideology. The author carefully investigates the formation of Sun Yatsen's views on

the essence of the land problem and methods of its solution by means of equalising rights to land, and also his theory on the regulation and limitation of capital as a means of saving China from capitalism. Mild condemnation of the plundering of the people by landlords and capitalists was a distinctive feature of the principle of people's prosperity.

Zhang Lei sees the historical and class limitation of this principle in the absence of a practical programme and concrete methods of liberating the peasants from feudal fetters, and in Sun Yatsen's refusal to apply coercive methods of land redistribution. Although Sun Yatsen called upon his people to learn how to tackle the agrarian issue from the Russians, and emphasised the unjust character of the agrarian system which was then in existence in China, at the same time he did not regard the class of large landowners as the major object of democratic revolution, and favoured the solution of the land problem by means of social reforms.

Sun Yatsen's philosophical views contained elements of both materialism and idealism. The author regards as the chief shortcoming of his views the renunciation of class analysis of China's social and political problems, and the denial of class struggle as the driving force in socio-historical development. Although Sun Yatsen was involved in revolutionary struggle throughout the whole of his life and emphasised more than once the need for a "revolutionary destruction" of the old world, at the same time, he deemed it possible to reconcile all the classes.

Among the merits of Zhang Lei's work is an attempt to examine and assess objectively Sun Yatsen's socio-political views, and to expose the contradictory nature of his approach to the solution of the intricate problems connected with overcoming China's political and economic backwardness. True, the author does not always adhere to the principle of historicism. Sometimes, he lays claims on Sun Yatsen as if he were a Marxist political figure.

On the whole, despite the above-mentioned drawbacks, Zhang Lei's book is a profound piece of research into the socio-political views of the great Chinese revolutionary democrat.

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GROMYKO BOOK ON FOREIGN EXPANSION OF CAPITAL REVIEWED

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[Book review by G. Shirokov, doctor of economic sciences, of "Foreign Expansion of Capital: Past and Present" by A. A. Gromyko: "Monopolies' Expansion"]

[Text]

In the 1970s, the cyclical and structural crises of world capitalism brought about obvious qualitative changes in the export of capital.

First, that period was marked by a gradual reduction of the official development assistance granted on an interstate basis. At present, loan capital and various private investments are crucial to the export of capital.

Second, most of these investments is now circulating among the industrialised capitalist states themselves, while the inflow of private capital to the developing world is decreasing. Of late, this is particularly true for the countries of West and South Asia as well as Africa, whereas the share of foreign private capital in the economies of the countries of the Far East and Southeast Asia has been rapidly increasing.

Third, the higher economic growth rates of Western Europe and Japan as compared with those of the US have helped these two centres of world capitalism to press US imperialism somewhat, though US monopolies still hold the lead in absolute indices. Furthermore, a new group of capital exporters has emerged—the oil-producing countries have secured a fairly stable position in this sphere.

The work under review is theoretically significant and politically relevant as it raises important issues related to the changes under way in the export of capital. US monopolies, which still account for more than half of all private investments abroad, hold the dominant positions in the world market of capital. In addition, the author defines the general and specific features of the export of capital from the US, comparing it with that from

other states, which gives the reader a clearcut idea of the general principles involved in the evolution of this major instrument of imperialist exploitation.

The export of capital is analysed against a vast historical background—from its inception at the close of the 19th century to the present. This approach helps the researcher draw more accurate conclusions since private investments abroad are of a long-term nature. They depend upon both the economic and socio-political situation and historical traditions, established form of activities, etc. The historical approach allowed the author to show that modern forms of the US monopolies' activities abroad are conditioned in many respects by the peculiarities of the formation and development of US capitalism.

Naturally, it is difficult to note all the problems dealt with in this comprehensive work. Therefore, we shall focus our attention on the most important aspects indispensable to a theoretical perception of the problem of the present-day export of capital.

First and foremost, the author draws a very important conclusion on changes in the geography of the export of US capital. Up to the end of the Second World War, the bulk of the imperialist powers' capital was invested in the colonial and dependent countries. Then, the centre of gravity of the expansion shifted to Western Europe where US capital actively penetrated into the war industry.

After the war, the tendency to invest capital in the developed capitalist countries continued to grow. In economic literature, this phenomenon

is generally attributed to the socio-political instability in the emerged countries, the growing political risk due to possible nationalisation, their weak economic and social infrastructure, etc. In addition, Gromyko emphasises a number of other equally important factors. The US economy was the first to enter a stage of scientific and technological development which somewhat reduced the demand for primary goods, owing both to a lower material intensity of production and to priority development of research-intensive branches. Alongside this, the technical and technological advantages enjoyed by US monopolies enabled them to penetrate the most competitive and, consequently, highly profitable branches of the capitalist countries' economies. As a result, the share of the developed capitalist countries in US private investments abroad increased from 47.8 per cent in 1936 to 75 per cent in 1980 (pp. 260, 372, 392).

Private investments changed in favour of the developed capitalist countries among the rest of the imperialist powers as well, but at a much slower rate than in the US. Apparently, US superiority in that respect ensured its monopolies additional advantages and, in its turn, led to their expansion. The US was the first imperialist power to begin exporting state capital, and subsequently it became the major creditor of the capitalist world. In our view, the author convincingly exposes the essence of the export of US state capital at various stages and shows how it helped the US monopolies work their way into the markets of both the developed capitalist and the colonial and dependent countries. The export of state capital became a major instrument for exerting pressure on debtor-countries, forcing them to make numerous concessions to Washington in various spheres. The export of state capital and, later on, developmental

assistance as well were thus turned into a major weapon in the United States' achieving economic, political and military superiority over those countries. In view of this, it is particularly important that we define the socio-political functions of the export of capital and of the granting of aid which have been used to suppress national liberation movements and to accelerate the formation rate of the capitalist mode of production.

The book points out that after the Second World War, US monopolies began transferring the capital they had invested in the developed capitalist states from manufacturing to the extraction, processing and distribution of oil. Alongside this, the role of non-productive sphere was increasing. From 1950 up to 1981, the share of US investments in manufacturing decreased from 52.4 to 43.8 per cent, whereas in oil-related industries it increased from 17.2 to 22.3 per cent (pp. 263, 372).

Oil-extraction and the manufacturing industry became the main objects of expansion for US monopolies in the emerging nations, while the non-productive sphere decreased slightly. However, the nationalisation of the oil companies' assets carried out in many developing countries after the beginning of the energy and raw materials crisis reduced the share of US assets in that industry from 46 per cent to 15 per cent. The author analyses the expansion of US investments in the developed capitalist and emerging countries in areas not related to production, which are becoming more exploitative and parasitic in essence.

As a whole, Gromyko's work points to the new trends in the export of capital, which remains a major instrument of exploitation in the capitalist system. It also outlines the prospects of this phenomenon and reveals a whole range of new contradictions inherent in the world capitalist economy.

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BOOK DENOUNCING CAMP DAVID ACCORDS REVIEWED

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[Book review by V. Mikhin, candidate of historical sciences of "Camp David: A Policy Doomed to Failure" by A. M. Zakharov and O. I. Fomin: "Doomed Strategy"]

[Text]

For more than three decades, the Middle East has been the most dangerous hotbed of international tension on our planet. The imperialist, Zionist and local reactionary forces there are trying to hamper the national and social liberation of the Arab peoples and consolidate their shaky positions in that area. To attain their objectives they use, not only force, but also political and diplomatic intrigue. Imperialism and reaction in the Middle East accord a special role to the Camp David policy.

The authors of the book under review who have studied many Soviet and foreign sources, describe in detail the emergence, development and causes of failure of this policy and analyse the so-called "peace treaty" concluded on its basis between Israel and Egypt. All these developments are studied against the background of the persistent struggle waged by the Arab peoples, including the Palestinians, for their legitimate sovereign rights. The book also deals with the wide-ranging support given to the Arabs by the Soviet Union and other socialist countries and by all peaceloving forces the world over.

The authors of the book justly point out that the Camp David deal and the separate Egyptian-Israeli treaty were not conducive to peace in the Middle East, as their architects claimed. On the contrary, they held up settlement of the crisis and added tension to the already explosive situation there.

In concluding the Camp David Treaty, Israel isolated Egypt from the Arab front and further escalated its provocations. The Israeli aggression

in Lebanon was a graphic example of how dangerous separate deals are: a large portion of that Arab country was occupied, thousands of Palestinian and Lebanese civilians were killed or wounded, and tens of thousands were left homeless.

The Camp David deal enabled Israel to escalate its annexationist policy in occupied Arab territories, which the Arabs call "settlement colonialism". The Begin government redoubled its efforts in setting up new paramilitary settlements, strongpoints of Israeli expansion, on Palestinian soil. From 1967 (when Israel occupied the West Bank of the Jordan) to the summer of 1980, Tel Aviv set up 68 paramilitary settlements there. Forty-five of them have been built since October 1978, i.e., after the signing of the Camp David agreements (p. 146).

The authors of the book point out that the Arab peoples, who have learned from their own experience that the Camp David deal represents an encroachment on their national sovereignty and their right to manage their own natural resources, have resolutely condemned it. The book analyses the documents of the National Front of Steadfastness and Confrontation, the All-Arab Peoples' Congress, and the Arab summits which outlined practical measures to counteract the capitulationist policy pursued by late President Sadat.

More and more Arab countries support the call put out by the patriotic forces of the region to set up an effective anti-imperialist front and to use all the political, economic and other means in the struggle against the Israeli aggressor and its main patron, American imperialism. The Arabs will

never put up with the occupation of their lands or renounce their sacred right to be free and independent in their homeland, infer the authors.

Much prominence is given in the book to the Soviet position on ways of settling the crisis in the Middle East. The authors point out that the Soviet leaders, diplomats and mass media stated from the very outset that the Camp David deal and "peace treaty" would not bring peace but further aggravate the already explosive situation in the region. At the same

time the Soviet peace proposals on the Middle East dealt a blow at the Camp David agreements and all the tricks and manoeuvres of imperialism, Zionism, and local reaction. The Soviet stand on the Middle East settlement is gaining ever wider acceptance in Arab and other countries. "All Arab patriots regard the Soviet Union and other socialist countries as their chief supporter and a strategic ally in their struggle for national liberation and independent development", conclude the authors.

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